

AGENDA

MASSACHUSETTS AFL/CIO

EXECUTIVE COUNCIL MEETING

JUNE 26, 1986

PARK PLAZA HOTEL - TERRACE ROOM

PRESIDENT'S REPORT

SECRETARY-TREASURER'S REPORT

DEPARTMENT REPORTS - EDUCATION - COPE & LEGISLATION

COMMUNICATIONS:

From Beverly Therrien, AFL/CIO Community Service Representative, thanking Pres. Osborn and Sec-Treas. Carpenter for inviting her to the "Union Meeting of the Air."

From State Representative W. Paul White thanking Pres. Osborn for his letter concerning H.1877, legislation to prohibit discrimination relative to insurance contracts.

From Frank Broderick, Boston Gas Co. to Rep. Richard Moore, responding to Moore's letter concerning the selection of a non-union painting company to work on the side of the gas tanks in Dorchester.

From Christine Sullivan, candidate for public office, asking for endorsement of the Mass. AFL/CIO.

From National Pres. Lane Kirkland re: the CWA Strike at AT & T.

From Secretary of Labor Paul Eustace to Pres. Osborn re: the establishment of the Advisory Council for the Workers Comp.

From CWA, Local 1051, to Pres. Osborn asking for support in their strike effort.

News Release from National AFL/CIO Union Label and Service Trades Dept. re boycott of Burlington Northern Air Freight Company in Irvine, California.

From Charles O'Leary, Pres., Maine AFL/CIO, inviting Pres. Osborn and other officers of Mass. AFL/CIO to their COPE Convention on July 16, 1986.

From Congressman Barney Frank thanking Pres. Osborn for his letter regarding the B&M strike.

From Joseph Cronin, Pres. Mass. Higher Education Assistance Corp. re: Higher Education Budgets

From Tom Claffey, President Local 2699, Hull Firefighters thanking John Laughlin, Pres. Osborn's Assistant, for his help in their efforts.

Minutes of the May 1, 1986, meeting of State Community Services Committee.

From Comm. of Mass. Executive Office of Environmental Affairs, Dept. of Environmental Management, to Sec. Treas. Carpenter enclosing a copy of a feasibility study on the proposed Mass. Labor History Education Center.

From Michael Arnold, Dir. of Investor Relations, Housing Investment Trust, to Sec. Treas. Carpenter, re the AFL-CIO Housing Investment Trust.

From Sec. Joseph D. Alviani, re: upcoming Innovation Advisory Group subcommittee meetings.

From George O'Bea, Jr., V. P. United Paperworkers Int. Union, Political Education Program, re: their Legislative-Political Conference June 23rd through June 25th, 1986.

From Stephen M. Richmond to Sec. Treas. Carpenter re: meeting of the New England Histadrut Executive Board.

From John Larkin, Chairman, United Way, re: June 11th meeting of the Strategic Planning Committee.

(Over)

From Mary Condon, North Shore Labor Council re: May meeting.

From Joseph Joyce, Exec. Sec. Treas., Greater Boston Labor Council, re: the fact that BASF is allowed to hang a banner from official's scoring table, which is considered a flagrant violation since boycott has been endorsed by National AFL/CIO.

From John Perkins, National AFL/CIO COPE Director re: new training program on political action.

From Marjorie Claprood, State Representative, thanking Pres. Osborn for letter in support of H. 1877.

From Deborah Cochran, Candidate for Secretary of State, asking for assistance in her campaign.

From Joseph Joyce, Exec. Sec.-Treas. Greater Boston C. L. C. to John Bacon, Pres. Boston Gas Co., re: problem between the Gas Co. and the Painters Union.

From Eliezer Rafaeli, Exec. Vice Pres., National Committee for Labor Israel - Histadrut, thanking Sec. Trea . Carpenter for contribution of \$25.00 for their Scholarship Fund.

From Vicki Fránkovich, Pres., Independent Fed. of Flight Attendants, thanking Pres. Osborn for his letter supporting the strike between the flights attendants and Trans World Airlines.

From Timothy Bassett, Exec. Dir., Land Bank, re: George McGrimley's request to lease surplus state agriculture land for the grazing of beef cattle.

From Ronald Alman, Dir., ILGWU New England Region, thanking Pres. Osborn for speaking at his Histadrut Dinner.

From Louis Kanegson, N. E. Exec. Dir., Israel Histadrut Committee, thanking Sec.-Treas. Carpenter for his participation in the dinner for Ronald Alman.

From Thomas A. Scotland, Regional Coordinator, Human Resources Development Institute, thanking Pres. Osborn for sending Asst. Reg. Dir. Frank Myers to represent the Mass. AFL/CIO at their conference on May 1.

From National Pres. Lane Kirkland, a mailgram asking for support of the United Steelworkers of America "Save American Industry and Jobs Day" held on June 21.

Minutes of Annual Meeting of the Members of Blue Cross of Mass. Inc.

From John Larkin Thompson, Pres., Blue Shield of Mass., thanking Pres. Osborn for his help in the medical malpractice bill.

From National AFL/CIO re: conference at the Meany Center on corporate campaigns and how research fits into corporate campaigns and organizing.

From State Rep. Richard T. Moore to John Bacon, Pres., Boston Gas Co., re: problem with the painters union.

From P-9 Corporate Campaign to Sec. Treas. Carpenter explaining their position in the labor dispute.

From Speaker Thomas P. O'Neill, Jr., to Pres. Osborn acknowledging his letter re: the dispute between the Maine Central Railroad and the Brotherhood of Maintenance of Way Employees.

From Salem State College to Sec.-Treas. Carpenter re: his letter of concern with the handbook at the college which expressed anti-union views.

From John Stygles to Pres. Osborn re: his current work on the "History of Organized Labor in Massachusetts."

From Robert Spinney, Fin. S. T., Sheet Metal Workers, Local 17, to Charles Richardson, MASSCOSH, Paul McDevitt, Modern Assistance Programs, and Bob Murphy, Health Planning Council, thanking them for their fine work at the Gompers-Murray-Meany Institute.

From Comm. of Mass. Exec. Office of Human Services, Dept. of Public Health, re: hearing on Lahey Clinic Hospital, Inc.

From James Farmer, Bus. Rep., Glaziers Union Local 1044, to Gov. Dukakis expressing his opposition to the Industrial Accident Board being moved to Bird Island Flats.

From Missouri Congressman Richard Gephardt, to Pres. Osborn re: H.R. 4800, legislation on free trade.

From Robert Wise, M.D. to Pres. Osborn re: Senate 1907 in support of the Lahey Clinic.

Field Trip Report from William Hauenstein, United Way, re: his meeting of April 7th.

From Sec. of Labor Paul Eustace to Pres. Osborn re: his letters concerning the implementation of the workers compensation bill.

From the Lawyers Committee for Civil Rights Under Law...re: asking the support of the Mass. AFL/CIO against racial violence.

Minutes of Meeting of May 21, 1986 of State Community Services Committee .

From Congressman Edward J. Markey responding to Sec. Treas. Carpenter's letter concerning a provision in the tax reform legislation.

From Louis Spetrini to Sec. of Labor Eustace recommending Karen Grasso Courtney for position of Asst. Commisioner of Labor & Industries.

From State Sen. George Bachrach to John Bacon, Pres., Boston Gas. Co. re: decision to hire non-union painters to do job on the gas tanks in Dorchester.

From State Sen. William Keating to John Bacon re: use of non-union painters for job on the gas tanks in Dorchester.

From Brian Gilmore, Director, Leg. Affairs, Greater Boston Chamber Commerce, enclosing minutes of the June 6th meeting of the Convention Center Advisory Committee.

From Kenneth Flanagan, Bus. Mgr., IBEW Local 1228, to Edward Donovan, Pres., Int. Law Enforcement Stress Association, re: video tape on stress.

From State Rep. W. Paul White to Pres. Osborn re: White's letter to John Bacon, of Boston Gas. Co. regarding the non-union painters being chosen to do the work on the gas tanks in Dorchester.

From Maurice J. Eash, Dir., Institute for Learning and Teaching, asking Pres. Osborn to be on a committee addressing the need for early childhood services.

From the United Farm Workers of America to Pres. Osborn re: the new "Wrath of Grapes" boycott.

From Paul Cassanelli, a scholarship recipient of the Operating Engineers Local 4 Award, thanking Pres. Osborn for opportunity to compete for this award.

From Rosemary White, Bus. Agent, Nat. Assoc. of Broadcast Employees & Technicians, Local 15, re: using union camera people to do the commercials on political campaigns.

opeiu-6
afl/cio

MINUTES
EXECUTIVE OFFICERS MEETING
MAY 21, 1986

PRESENT: President Osborn, Sec.-Treas. Carpenter, Exec. Vice Pres. Evers, Lydon and Heffernan

MMS to file Steelworker request on "Hands Across America." Passed unanimously.

MMS to file request by A.C.T. Passed unanimously.

MMS to send letter to Salvation Army informing them of current problem between the Building Trades and the Salvation Army. Passed unanimously.

MMS to send Sec.-Treas. Carpenter to I.U.E. District II Educational Conference in Eastern Mass. Passed unanimously.

MMS to purchase one table for Testimonial for Tom Evers. Passed unanimously.

MMS to send \$100 to National Consumer League. Passed unanimously.

MMS to buy one ticket to Boston Convention Bureau dance. Passed unanimously.

MMS to file Building Trades Appreciation Dinner. Passed unanimously.

MMS to take a page in Virginia AFL/CIO Anniversary Ad book. Passed unanimously.

MMS to send Sec.-Treas. Carpenter to IUE National Convention. Passed unanimously.

EXECUTIVE OFFICERS POLLED VIA TELEPHONE:

MAY 27, 1986

MMS to purchase 15 tickets @ \$10 each for fundraiser for TWA flight attendants. So voted.

MMS to authorize Sec. Treas. Carpenter to attend a meeting on June 23rd in Washington, D.C. of the participants of Central America trip. So voted.

MMS for Sec.-Treas Carpenter to attend plant closing meeting with Pres. of Maine AFL/CIO. 6/4 and 6/5/86. So voted.

MMS to purchase 15 tickets at \$20/each for testimonial dinner for Al Hamilton, Local 201, on June 25, 1986. So voted.



MASSACHUSETTS AFL/CIO

FINANCIAL REPORTMAY 1986

GENERAL FUND	CREDITS	DEBITS
On hand 5/1/86	\$ 56,341.69	
Receipts - May	56,492.60	
Disbursements (General)		\$ 39,272.01
Disbursements (Payroll)		32,081.70
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Balance 5/31/86	\$ 41,480.58	

PER-CAPITA RECEIVED ON 225,367 MEMBERS

DISBURSEMENTS

1. Officers Expenses	47.15
2. Executive Board Expenses	745.38
3. Tickets	150.00
4. Donations	2,000.00
5. New England Telephone	1,206.03
6. Office Expenses	85.60
7. Office Supplies	645.67
8. Boston Edison	117.42
9. Postage and Mail	2,000.00
10. Printing	1,193.85
11. Auto Expenses	1,368.56
12. Conferences and Conventions	12,247.99
13. Rent	2,200.00
14. Health and Dental Insurance	2,859.33
15. Convention 1986	1,006.28
16. Office Equipment	1,303.89
17. Staff Expenses	332.38
18. Golf Committee (prizes and supplies)	1,899.46
19. Subscriptions	213.65
20. Messenger Service	76.90
21. Flowers and Fruit	105.50
22. Payroll Expenses	161.00
23. Photographic Services	236.25
24. Pamphlets and books	495.00
25. Harvard Trade Union Reception	1,784.90
26. Foley Health Insurance (3 months)	1,015.80
27. Life Insurance (2 months)	249.30
28. Telegrams	8.75
29. TRW - Full insurance terminals and printers	2,040.00
30. Scholarship Committee	184.44
31. Kelly Services	93.75
32. Petty Cash	100.00
33. Miscellaneous	459.54
34. Disability Insurance	638.24
<hr/>	
	\$ 39,272.01

ASSETS

Patriot Bank C.D.	100,593.75
Boston Safe Deposit	126,887.17
Petty Cash	100.00
Department of Labor	400.00

\$ 227,980.82

CREDITS

DEBITS

VOTER REGISTRATION FUND

On hand 5/1/86 \$ 24,775.02

1986 State Democratic Convention

T-Shirts & Hats	\$ 2,259.75
Buttons	245.12
Photos	360.00
Printing	44.63
Civic Center	75.00
P.A. System	500.00
Trumpet players	100.00
Signs	450.00
Cash	150.00
Donations	200.00
Union House Restaurant	287.50
Rich Rogers	30.16

	\$ 4,702.46

Balance 5/31/86 \$ 20,072.58

PENSION PLAN

On hand 5/1/86	2,059.06
N.I.	8.70

Balance 5/31/86	\$ 2,067.76

MASSACHUSETTS AFL-CIO

DELINQUENT REPORTMAY 1986

LOCAL UNION	DATE LAST PAID	AMOUNT
AFT 1896	Over 1 Year	\$ 105.00
3191	" "	198.00
DALU 21432	" "	225.00
IBPA 29	" "	87.00
691	" "	180.00
ITU 13	" "	1,800.00
IUE 272	" "	24.00
297	" "	288.00
LIU 1162	" "	852.00
NALC 1	" "	900.00
OCAW 86	" "	84.00
SEIU 495	" "	2,400.00
UPIU 121	" "	456.00
599	" "	99.00
1102	" "	324.00
USA 2237	" "	60.00
3722	" "	108.00
APWU 000A	June 1985	550.00
ICWU 260	July 1985	115.00
SEIU 398	" "	752.50
AFT 3227	August 1985	22.50
UPIU 204	" "	360.00
USA 8981	" "	166.50
IUE 233	September 1985	110.00
GAU 204	October 1985	89.25
IAFF 1768	" "	178.50
TSE 454	" "	29.75
USA 3746	" "	87.50
3859	" "	176.75
LIU 385	November 1985	600.00
RWDSU 1199	" "	500.00
SEIU 285	December 1985	5,625.00
USA 7644	" "	31.25
AFT 1707	January 1986	135.00
DWAW 008	" "	208.00
IBPA 75	" "	36.00
IUE 277	" "	220.00
IWIU 58	" "	14.00
UPIU 1355	" "	76.00
AFT 1340	February 1986	159.75
CWA 1371	" "	42.00
1395	" "	375.00
IAM 1544	" "	57.00
ICWU 57	" "	106.50
IUE 251	" "	63.75
NALPA 0000	" "	37.50
OPEIU 277	" "	22.50
UAPP 138	" "	150.00
URW 573	" "	252.00
USA 8751	" "	352.50
TOTAL		\$ 20,892.00



MASSACHUSETTS AFL-CIO

CHANGES IN MEMBERSHIP

MAY 1986

LOCAL UNION	FROM	TO	+	-
ACTWU	1208T	125	100	25
	1225T	150	100	50
	232	75	150	75
AFSCME	355	90	92	2
	687	130	210	90
	787	0	208	208
	851	631	608	23
	1596	0	419	419
	1736	189	192	3
	1776	1075	1093	18
	2616	223	213	10
	2747	122	119	3
	335A	45	44	1
AFT	495	681	683	2
	3225	33	32	1
	3961	24	23	1
ATU	1205	199	189	10
IAFF	739	236	242	6
IBEW	1465	104	101	3
	2313	800	1600	800
IUE	206	633	603	30
	210	64	61	3
	221	95	89	6
	232	21	20	1
	255	2720	2811	91
	273	83	84	1
	276	54	90	36
	286	355	354	1
	288	265	378	113
	299	160	169	9
IUMS	5	587	474	113
IUOE	877	420	720	300
IWIU	122	69	87	18
RWDSU	593	310	260	50
	583A	294	288	6
USA	3654	225	175	50
	12007	0	240	240
UURW	33	125	127	2
UWUA	379	0	40	40
TOTAL			2,473	387

MASSACHUSETTS AFL/CIO - REPORT FOR NATIONAL JUNE 1986

<u>NEW LOCALS</u>		<u>DATE AFFILIATED</u>	<u># OF MEMBERS</u>
AFSCME	1596	3/86	419
"	13460	3/86	39
"	17250	3/86	35
"	636	1/86	124
"	1806	2/86	22
"	2086	2/86	102
"	2099	3/86	26
"	3116	3/86	177
"	9100	3/86	39
"	9101	1/86	6
IBEW	791	5/86	85
TNG	27	2/86	140
UWUA	379	6/86	40
			1254 +

LOCALS DISSAFFILIATED:

UFCW	616	3/86	500
HLW	87	4/86	90
			590 -

LOCALS INCREASE IN MEMBERSHIP

OPEIU	6	3/86	From 1000 to 1500
IBEW	2313	4/86	" 800 to 1600
IBEW	1505	4/86	" 8000 to 9000
IUOE	877	5/86	" 420 to 720
UFWA	159	4/86	" 388 to 548

2760 +

LOCALS LOSS OF MEMBERS

SHIP YARD LOCAL 5	January 1, 1986	2153	(From 6/1/85 to 5/31/85 4422 down to 474)
	May 31, 1986	474	
IAMA COUNCIL 38	From 3500 to	2200	
IBEW 2222	FROM	6487 to 6339	

3127 -

LOCALS MERGED

SMW LOCAL 501 into SMW LOCAL 17 - 99 members

Increase of 297 members

Soon to be in effect

NAGE up 12000
IBEW 103 up to 3000

NABET 15 - 92

AO Osborne

NATIONAL EDUCATION ASSOCIATION RAIDING

WHEREAS, For many years the National Education Association has competed with AFL-CIO Unions for the right to represent educational employees. The NEA has a history of attempting to decertify teaching and non-teaching bargaining units represented by AFL-CIO Unions. In recent years, despite the fact that these raiding activities have generally proven unsuccessful, the NEA has substantially increased these raids. In recent months the NEA has gone beyond organizing attempts among AFL-CIO school employee members to attempting to decertify some state and government employee bargaining units; and

WHEREAS, The nature of these raids has been particularly disturbing. NEA rhetoric regularly disparages the AFL-CIO and places affiliated locals into disrepute in their organizing literature, and such raids and such organizing tactics would be clear violations of the AFL-CIO Constitution if NEA were a member of the family of labor; and

WHEREAS, There have been recent attempts to discuss these problems with the leadership of the NEA, and several affiliates have expressed their concern about these activities. So far these discussions have been fruitless; therefore, be it

RESOLVED: That NEA raiding activites and organizing behavior are indefensible and we hereby censure the NEA for this behavior, and we urge the officers of the involved affiliates to continue to discuss these matters with the leadership of the NEA to see if they will voluntarily cease these reprehensible activities, and if these negotiations

prove fruitless, we intend to do everything in our power to retaliate against the NEA wherever possible, both in states where there have been organizational problems and in states where there have not, and the Public Employee Department should implement a substantial coordinated campaign to decertify NEA bargaining units wherever possible; and, be it further

RESOLVED: That the PED should take all other appropriate steps within the AFL-CIO to ostracize the NEA from the rest of the labor movement, to prohibit any and all cooperation with them at every level -- with the national organization, with state educational associations and with local educational associations, and state and local central bodies should be instructed not to cooperate in any manner with NEA affiliates; and, be it further

RESOLVED: That at a time when working people, especially public employees, have so many other more urgent problems, we believe that the NEA should take steps to avoid such a needless fight and to cease their predatory activities against other unions.



MASSACHUSETTS / AFL-CIO

Voice of Organized Labor 400,000 Strong

July 11, 1986

PRESIDENT
ARTHUR R. OSBORN

EXECUTIVE VICE PRESIDENTS
JOSEPH M. LYDON
THOMAS G. EVERE
RICHARD J. HEFFERNAN

SECRETARY-TREASURER
GEORGE E. CARPENTER, JR.

VICE PRESIDENTS
RONALD M. ALMAN
DANIEL A. BEAUREGARD
DOMENIC BOZZOTTO
EDWARD F. BURKE, JR.
FRANK CECCARONI
LINDA R. CHIGAS
EDWARD W. CLARK, JR.
EDWARD W. COLLINS
PAUL M. CONNOLY
CHARLES DeROSA
PAUL L. DEVLIN
CAROL A. DREW
JOSEPH C. FAHERTY
JAMES FARMER
BRUCE FERIN
GIL FERREIRA
WILLIAM J. FOLEY
WILLIAM F. IRVIN
JOSEPH W. JOYCE
JULIA KAMEL
THOMAS P. KERR
DONALD J. LEAHY
DICK LeBLANC
DAVID LIMA
KEVIN MAHAR
MARY ANN MANGO
PATRICK J. MELE
NANCY MILLS
A. MICHAEL MULLANE
JAMES NESTOR
GEORGE J. O'BRIEN
RICHARD F. PICCUITO
RICHARD E. POST
JOHN F. SIMMONS
CHARLES E. THOMPSON
BARNEY WALSH

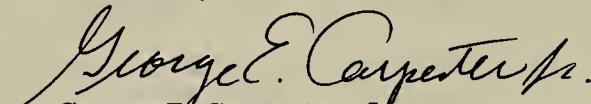
TO: MEMBERS OF THE EXECUTIVE COUNCIL

Enclosed are the minutes of the June Executive Council meeting for your review and approval.

As you know, there will be no Council meeting in July.

At present we are working on the location of the August meeting, and we will advise you as soon as it is determined. The date will be **Thursday, August 21st**.

Fraternally,



George E. Carpenter, Jr.
Secretary-Treasurer

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afl/cio
Enc.

MASSACHUSETTS / AFL-CIO
8 Beacon Street, Boston, MA 02108
Telephone: (617) 227-8260

N.A.B.E.T. 15

NATIONAL ASSOCIATION OF BROADCAST EMPLOYEES & TECHNICIANS

8 THAYER STREET, SUITE 2B, BOSTON, MA 02118 (617) 350-7921

June 23, 1986

Arthur Osborn, President
Massachusetts AFL-CIO
8 Beacon Street
Boston, MA 02108

Dear Sir and Brother:

I have enclosed a letter which I've sent to all the major political candidates running for state-wide and federal office.

When candidates get ready to do television spots, they will think about putting union people in front of the camera, but seldom do they consider whose behind the camera. I'm trying to provide some encouragement.

I am hopeful, of course, that those candidates who have received a lot of support from labor thus far, will send a small favor our way.

In Solidarity,

Rosemary D. White

Rosemary D. White
Business Agent

Enclosure

NABET 15

NATIONAL ASSOCIATION OF BROADCAST EMPLOYEES & TECHNICIANS

8 THAYER STREET, SUITE 2B, BOSTON, MA 02118 (617) 350-7921

COPY

I am writing to introduce you to the professionals of NABET Local 15. Our membership is involved in the making of most of the TV commercials done locally, and we're hopeful you will be using our crews for your political spots.

With NABET 15, you can staff your crew based on your script, shooting schedule and the amount of equipment to be used. No more personnel will be required than what's needed. Your spots will be completed in the shortest time with the best results.

Please advise me if you intend to use union crews, in addition to AFTRA, while shooting your political spots. I can provide additional information about our membership, and companies with whom we already have a relationship, upon request. Or, if you prefer, I would be pleased to speak directly with whatever firm you have already hired to produce your spots.

I look forward to hearing from you.

Sincerely yours,

Rosemary D. White
Business Agent

cc: Arthur Osborn, Massachusetts AFL-CIO



UNITED FARM WORKERS of AMERICA AFL-CIO

National Headquarters: La Paz, Keene, California 93570

(805) 822-5571

June 16, 1986

Arthur Osburn, President
MA State Labor Council
8 Beacon St.
Boston, MA 02108

Dear Brother Osburn,

We have begun an all out campaign for the new "Wrath of Grapes" boycott. Since my last visit to Boston, the grape boycott has really taken off. The support of top leadership in Boston has been an example to many other labor and political leaders throughout the country.

Since Boston is the fifth largest market for California table grapes, a successful boycott in Boston is critical to gain a victory for farm workers.

To implement our new boycott campaign, the United Farm Workers National Executive Board has assigned Ed Sanchez to represent the UFW in Boston. He will be contacting you soon. We would appreciate whatever assistance you could offer to him.

The "Wrath of Grapes" campaign will highlight our key demands which is the elimination of five toxic pesticides that cause cancer and birth defects among farm workers and their families and threaten consumers and communities surrounded by vineyards.

We believe a successful boycott will stop the use of these pesticides and require corporate growers to guarantee free and fair Union representation elections, without violence or threat to farm workers and good faith bargaining.

With your help, farm workers will be able to win the struggle and begin to clean the poisoning in our food supply.

In Solidarity,

Cesar E. Chavez,
President
United Farm Workers
of America, AFL-CIO

CEC/ef

6/23/86
362 Walnut Street
Shrewsbury, MA. 01545
June 23, 1986

Mr. Arthur R. Osborn, President
Massachusetts AFL/CIO
8 Beacon Street
Boston, MA. 02108

Dear Mr. Osborn,

Thank you for the International Union of Operating Engineers, Local 4 Award.

This Scholarship will greatly help pay for my college education, and I am looking forward to personally thanking you at the Annual Convention of the Massachusetts AFL/CIO this year.

Sincerely,

Paul Cassanelli

Paul Cassanelli

384. *Stunt* - tree
Space around A. O. 446
July 31, 1948

Mr. A. J. Jr. R. C. for , fire chief
based, user , A J C C
e lesson , rec'd
301SC . A. L. location ,

East. A. C. 1910.

ask to the type interrogatory until a
suitable award.

the only time I have been to the coffee shop is when I am in town for a meeting or a conference. I have never been to the coffee shop for coffee.

Section 512

if *gen*, *gen* is *q*

Beverly Therrien
Labor Liaison
United Way of Greater Fall River

for
to
Commerce
J. E. C.



AFTER ATTENDING THE "UNION MEETING OF THE AIR", MY HUSBAND AND I WERE QUITE IMPRESSED AT HOW WELL IT WAS COORDINATED.

AS YOU KNOW, AT THESE CONFERENCES WHEN MEETING OLD FRIENDS AND EVERYONE DISCUSSING THEIR CONCERNS, ONE DOESN'T HAVE MUCH TIME TO CONCENTRATE ON THE READING MATERIAL. I HAVE NOW READ ALL OF THE MATERIAL AND WANT TO SHARE MY OPINIONS WITH YOU. WHAT IMPRESSED ME MOST WAS THE "UNION PRIVILEGE" PAMPHLET. THIS MAY BE A NEW WAY TO HAVE NON UNION MEMBERS REALIZE WHAT THEIR MISSING. WITH ALL THE ANTI UNION RHETORIC FLOATING AROUND, MANY PEOPLE FEEL THEY DON'T NEED OR WANT UNION AFFILIATION. UNFORTUNATELY, MANY PEOPLE HAVE THE "WHATS' IN IT FOR ME" ATTITUDE. WHEN THEY SEE (THRU THEIR WALLETS) WHAT THEY CAN BENEFIT FROM OR PURCHASE, AS THE UNION MEMBER IS ABLE TO DO, THEY MAY CHANGE THEIR THINKING ABOUT UNIONS.

WE JUST HAVE TO KEEP TALKING POSITIVE, NOT GIVE UP ON OUR OWN MEMBERSHIP, AND PROMOTING OUR BENEFITS AND PROGRAMS WHENEVER AND WHEREVER WE CAN.

FRATERNALLY,

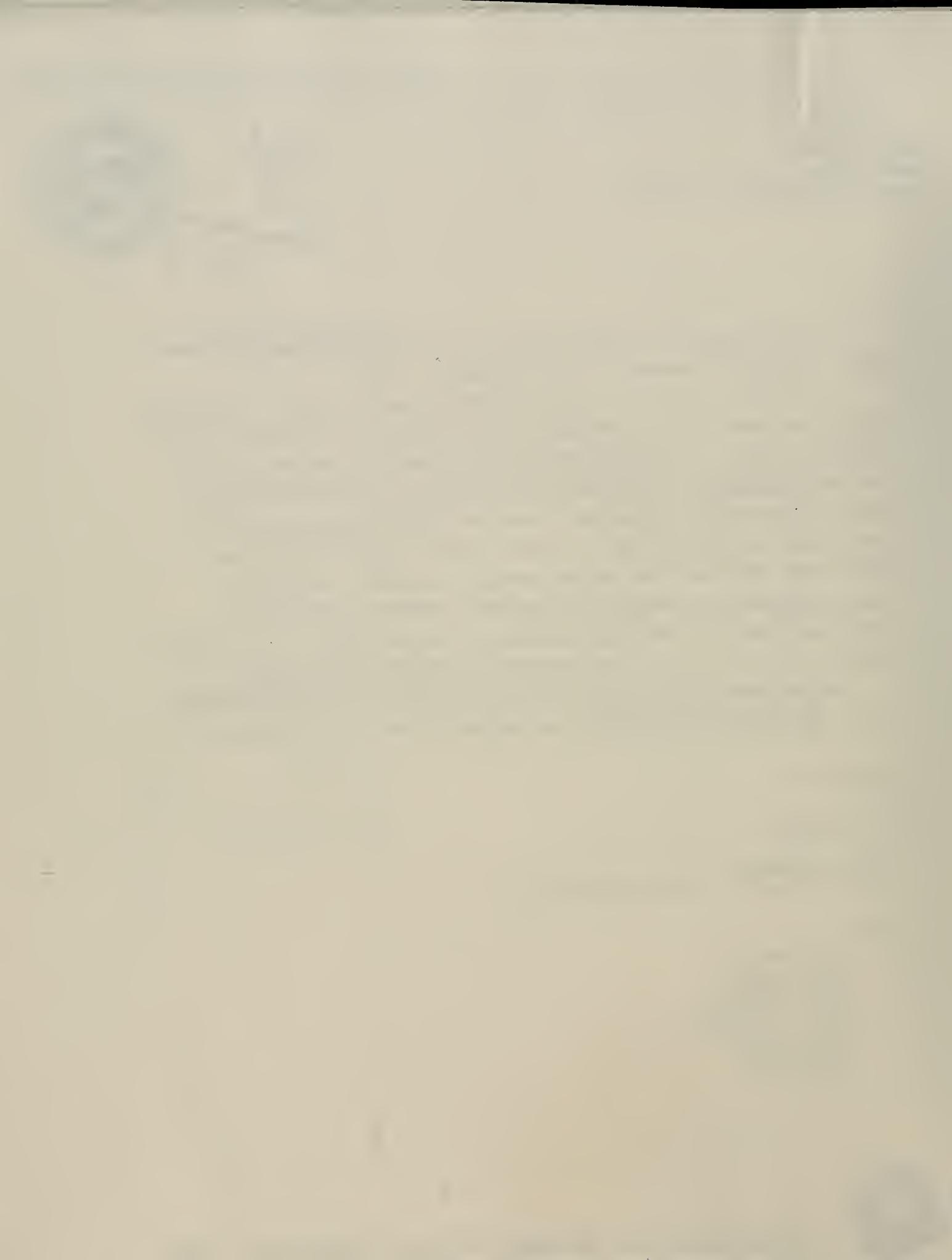
Beverly

BEVERLY THERRIEN
AFL/CIO COMMUNITY SERVICE REPRESENTATIVE

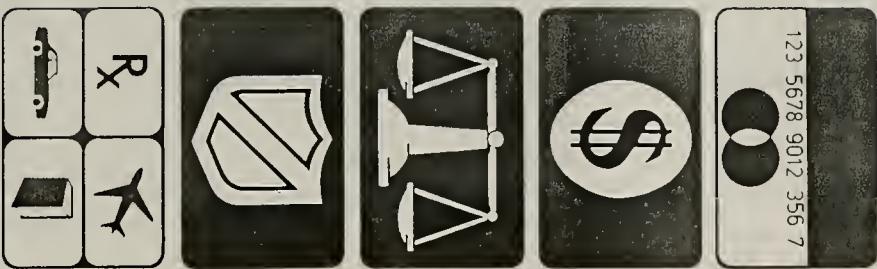
BT:uva

CC: LANE KIRKLAND
THOMAS DONAHUE
ARTHUR OSBORN
GEORGE CARPENTER
BILL HAUENSTEIN
BUD BISCARDO
BOB GOSHEA





UNION PRIVILEGE BENEFIT PROGRAMS



A new range of programs and services that will use the collective strength of America's union members to improve the quality of their lives is being initiated by the AFL-CIO and its affiliate unions.

Union Privilege

benefits will enable union members to participate in programs of high quality at reduced costs because of the purchasing power of 13½ million AFL-CIO members and their families. The income earned by union members — averaging higher than non-union Americans — now will buy more and go farther.

These new programs, AFL-CIO President Lane Kirkland stated, "will extend the role of the labor movement from the bargaining table to the marketplace. **Union Privilege** will give union members new bargaining power on Main Street and in the shopping mall."

The offerings by **Union Privilege** will be made through participating

unions to their members as an extension of benefits they already enjoy under their collective bargaining agreements.

Associate Members

Through associate memberships, programs will also be offered by participating unions to those who express interest in joining or forming unions where they work and to those who are no longer in union workplaces but wish to retain their union ties.

The availability of the programs that have been created and endorsed by the AFL-CIO and each participating union will bring greater personal security and financial betterment to a large, new constituency.

These new programs, AFL-CIO President Lane Kirkland stated, "will extend the role of the

Programs Offered

Union Privilege is now offering a bank credit MasterCard at the lowest rate for any comparable

AFL-CIO Endorsement

As agreements are negotiated with suppliers of these services, the AFL-CIO will offer these programs to AFL-CIO unions.

program with a wide range of union-tailored services and minimum of restrictions. In addition, **Union Privilege** is developing future benefits, which include:

- A program of **Life Insurance** at reasonable rates.
- A program of **Health Care** for those laid off or not presently covered.
- A program of **Disability Insurance**.
- A program of retirement and investment **Financial Services** with maximum security at reasonable rates.
- A program of **Legal Services**.

Other proposed programs under consideration include home and auto casualty, supplemental health care insurance, low-cost prescriptions, low-cost travel and low-cost book club.

Union Privilege

Union Privilege is a not-for-profit creation of the AFL-CIO in which no membership funds will be involved. The unique power to negotiate the best possible programs and maintain constant oversight will assure more personal attention and better service to union members, associate members and their families.

Only after each program is examined thoroughly by the AFL-CIO and its teams of experts will it receive **Union Privilege** approval. Each must pass rigid scrutiny and offer the best value. The credibility of an AFL-CIO

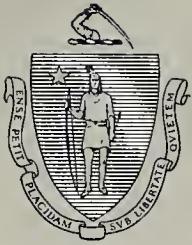
endorsement will make

Union Privilege attractive to union members and potential associate members.

Union Privilege will serve in the marketplace the union contract protects in the workplace.

America's union members will soon no longer face alone the banker, the insurance company, the glib salesman and the slick advertisement.





The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES
STATE HOUSE, BOSTON 02133

W. PAUL WHITE
13TH SUFFOLK DISTRICT

Committees on
House Ways and Means
Steering and Policy
ROOM 238, STATE HOUSE
TEL. 722-2380

June 9, 1986

Arthur R. Osborn, President
Massachusetts AFL-CIO
8 Beacon Street
Boston, MA 02108

Dear Mr. Osborn:

Thank you for your recent letter concerning House Bill 1877, legislation to prohibit discrimination relative to insurance contracts. H.1877 has been ordered to a study and given a new number, H.5636.

Although I oppose H.1877 in its present form, I favor the study report of this proposal (H.5636). Should H.1877 be substituted for H. 5636, I will have to carefully review any amendments offered to this measure before I cast my vote on engrossment.

Again, thank you for taking the time to express your views and if I may be of any service to you in the future, please do not hesitate to contact my office.

Sincerely yours,

Paul
W. PAUL WHITE
State Representative

mg



Boston Gas Company
One Beacon Street
Boston, Massachusetts 02108
Telephone (617) 742-8400

Frank A. Broderick
General Affairs Representative

The Honorable Richard T. Moore
State House
Room 167-J
Boston, MA 02133

June 4, 1986

Dear Representative Moore:

I am writing in response to your letter dated May 20, addressed to John J. Bacon, President of Boston Gas Company.

In reply to your concern about the selection of a painting contractor to repaint the sides of one liquefied natural gas (LNG) tank in Dorchester, our Manager of Industrial Relations worked closely with representatives of the Painters District Council #35. The initial bids received from local union contractors were more than double the non-union contractor bid. In fact, local union contractors were allowed to submit revised bids, assuming that the revisions would be more competitive with the non-union bid. Unfortunately, the lowest of the revised union bids was approximately 75% higher than the non-union bid ultimately selected.

Boston Gas Company has a competitive bidding policy to ensure that contracts are awarded in an equitable manner. The goal is to provide our customers and the company with the greatest overall value for every contract awarded. This policy ensures that we continue to provide quality service at rates that are as low as possible.

In this case, the difference between the bids was so substantial that the company had no choice but to select the low bidder, Interstate Contracting and Coating Company of Zelionople, Pennsylvania. The company recognizes and respects your position on this issue and regrets that it was unable to make a mutually acceptable choice.

If I can be of further assistance to you in this or any other matter, please call me at 742-8400, extension 230.

Sincerely,

Frank A. Broderick
Frank A. Broderick

✓ *Christine* STATE SENATE **SULLIVAN**

Dear Sir,

On March 12, 1986, I officially announced my candidacy for the Middlesex-Suffolk State Senate seat. At stake in this election is a commitment to fill the void left by the Federal Government. In the decade to come, leadership and public policy will emanate from Beacon Hill. I want to be a part of this process.

Having worked for Speaker O'Neill for the past nine years, I've learned many valuable lessons about the legislative process, public policy and the traditions of the Democratic Party. He has shown me that one person's faith, dedication and hard work can make a difference in preserving the values of opportunity and justice.

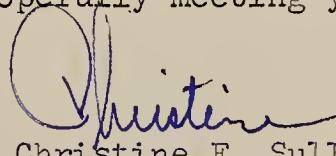
Although I have been campaigning door to door, on street corners and at events throughout the district, I realize that hard work alone is just not enough to bring my candidacy to a successful conclusion on election day. It is for this reason that I am writing to you.

I recognize, and appreciate, how important the active support of organized labor is to my candidacy. This fact has been continually underlined, and emphasized, to me by my brother Kevin who is an official with the Shipbuilding Workers of America, Local #5.

I realize, and wholeheartedly support the goals, and objectives, that organized labor has undertaken in its efforts to provide economic justice, and quality of work life assurances for its members.

It is for these reasons that I wish to assure you that should I be elected to the State Senate, you will know that you have my support in your efforts. You won't find it necessary to lobby me to support your causes, which I believe are those of every working man, and woman in this state. You'll know where I stand.

I would very much appreciate your endorsement, and support, and I look forward to talking to you, and hopefully meeting you, over the next several months. Thank you.



Christine E. Sullivan

The Committee to Elect
Christine Sullivan
16 Presentation Road
Brighton MA 02135
782-3706

Re 6/9/86

American Federation of Labor and Congress of Industrial Organizations



815 Sixteenth Street, N.W.
Washington, D.C. 20006
(202) 637-5000

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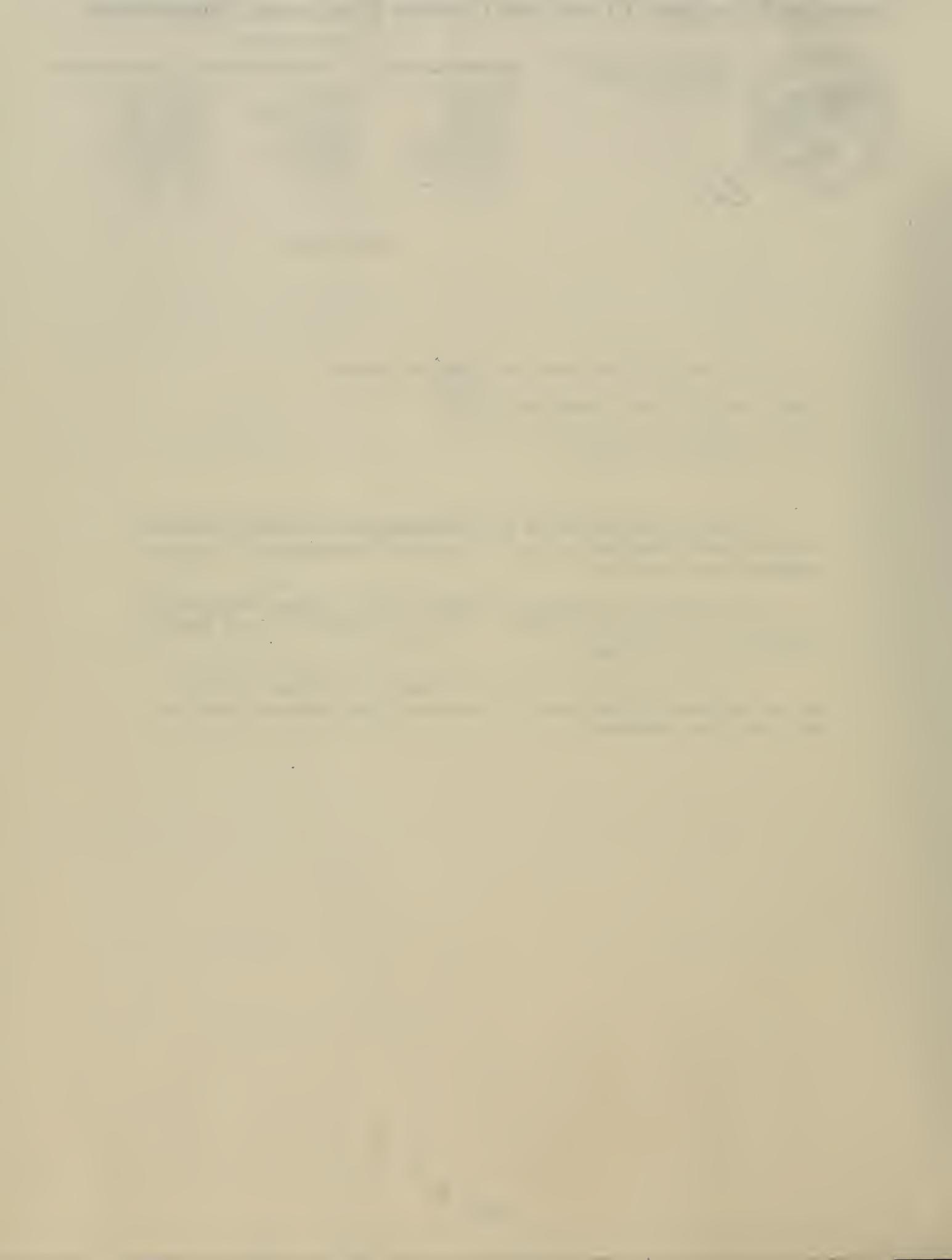
June 6, 1986

TO: All AFL-CIO State and Local Central Bodies
FROM: Lane Kirkland, President *SK*
RE: CWA Strike at AT&T

Some 155,000 members of the Communications Workers of America have now been on strike against the American Telephone and Telegraph Company since June 1st.

CWA members are walking the picket line in almost every major community throughout the country. They are entitled to, and deserve, the AFL-CIO's full support.

Please make every effort to provide all possible assistance to our striking CWA brothers and sisters so that they may secure an early and fair agreement.





C

The Commonwealth of Massachusetts
Executive Office of Labor
One Ashburton Place--Room 2112
Boston, Ma. 02108

MICHAEL S. DUKAKIS
GOVERNOR

PAUL J. EUSTACE
SECRETARY

June 6, 1986

Arthur Osborn
President
Massachusetts AFL/CIO
8 Beacon Street
Boston, MA 02108

Dear Brother Osborn: *Arthur*

Thank you for your letters concerning implementation of the workers' compensation bill. I am glad you have taken an interest in this lengthy and difficult process.

Establishing the Advisory Council has been a particularly time-consuming part of our effort. But with your help, we have found some knowledgeable people willing to give up a considerable amount of their time to serve. It is my hope, as well as yours, that these appointments will be made in the very near future.

In Solidarity,

Paul J. Eustace

cc: Martin V. Foley
Joseph Lydon
Thomas Evers
Richard Heffernan



Communications Workers of America
A.F.L.-C.I.O.
Local 1051

C

10 MAZZEO DRIVE • SUITE 202 • RANDOLPH, MASSACHUSETTS 02368 • 617-963-4014 / TAPE 617-963-4011

June 9, 1986

Mr. Arthur Osborne
8 Beacon Street
Boston, MA

Dear Arthur:

I would like to formally request the Massachusetts AFL-CIO, to help support our lines in manpower at the locations below:

110 High St. (Rear of 185 Franklin Street) Boston, MA
2 Devonshire Place, Boston, MA
250 Bent Street Cambridge, MA
200 Mill Street Fairhaven, MA
175 Main Street Worcester, MA
825 Waverly Street Framingham, MA

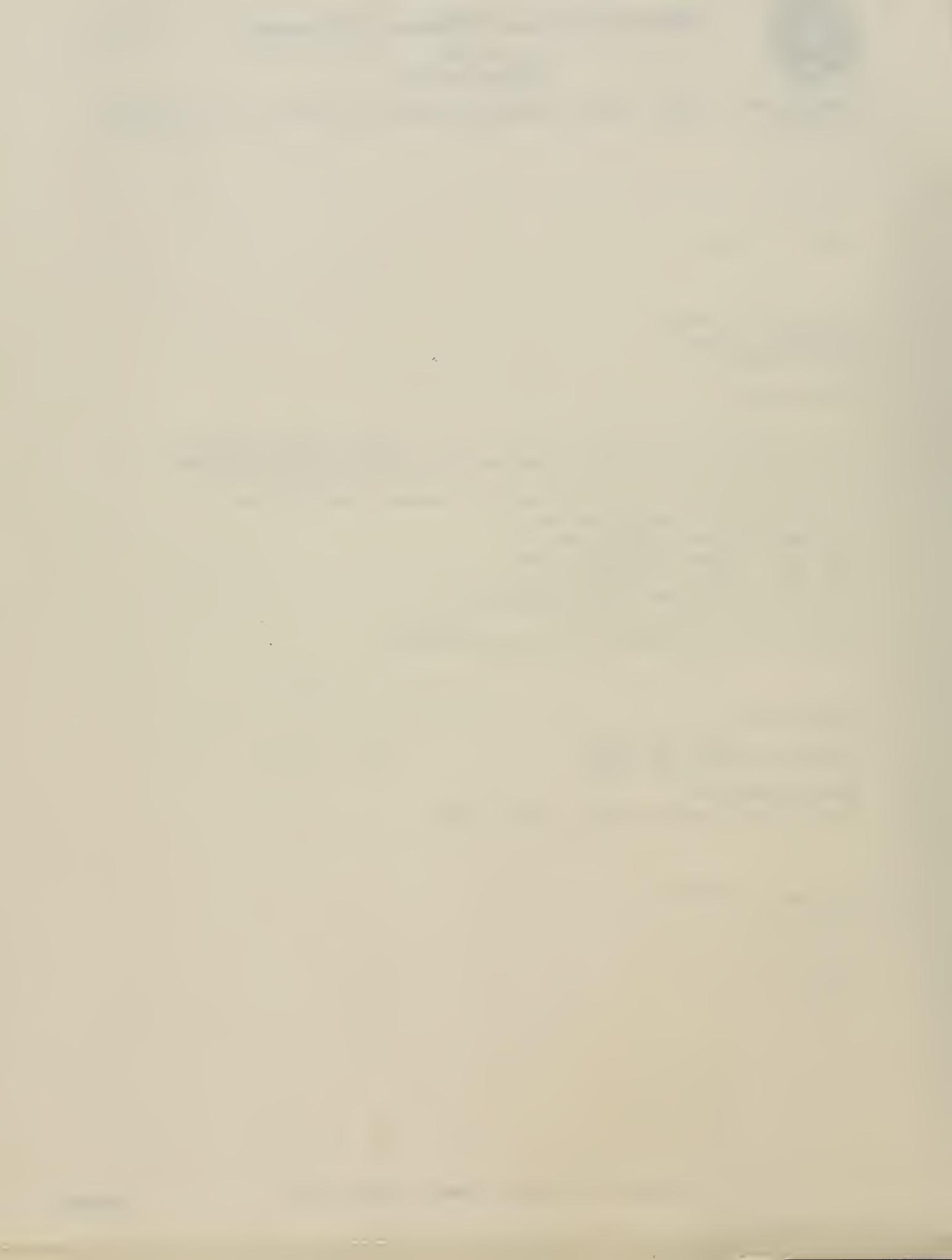
Thank you in advance for your assistance.

Thank you,

Jeanne McCarthy
Jeanne McCarthy
Executive Vice-President, Local 1051

cc: Local Officers

JM/jd





NEWS RELEASE

815 16th Street, N.W.
Washington, D. C. 20006
Telephone 202 - 628-2131

FOR IMMEDIATE RELEASE

May 30, 1986

BURLINGTON NORTHERN AIR FREIGHT BOYCOTT

At the request of the International Typographical Union of Canada, the AFL-CIO Executive Council at their May meeting, endorsed the boycott of **Burlington Northern Air Freight Company (BNAF)** headquartered in Irvine, California.

The boycott was endorsed by the Canadian Labour Congress March 1986 after ITU's No. 91 of Toronto, Canada, unsuccessfully attempted to win a first contract with the company. BNAF locked out members of ITU No. 91 for their efforts to obtain a contract with basic protections such as job security, fair fringe benefits, no part-time employment erosion and an end to top-scale firing. They hired scabs to replace the locked out members and charges have been filed of bad faith bargaining, altering working conditions and illegal lockout.

Once part of Burlington Northern Railroad, BNAF was sold to multinational Pittston Corporation of Greenwich, Connecticut, owners of anti-union Brinks armored vehicle firm.

In addition to their Canadian bases, BNAF operates out of more than 100 cities in the United States and has purchased several transport jumbo jets seemingly to challenge services of other major air freight carriers.

(over)

The Union Label and Service Trades Department urges your cooperation in this North American boycott by carefully selecting your air freight carrier and avoid services of **Burlington Northern Air Freight.**

- 30 -

opeiu#2



President

Charles J. O'Leary

maine afl-cio

72 Center Street
P. O. Box 70
Brewer, Maine 04412
Tel. 989-3630



Secretary-Treasurer

Edward Gorham

June 13, 1986

Massachusetts AFL-CIO
Mr. Arthur R. Osborn, President
8 Beacon St.
3rd Floor
Boston, Mass. 02108

Dear Arthur:

The Maine AFL-CIO will hold its COPE Convention on Wednesday, July 16, 1986 at the Pilots Grill in Bangor. It is a one-day convention beginning at 9:30 a.m. There is a gubernatorial election in Maine this year and two Congressional elections. There is no U.S. Senate election. The entire membership of the Maine Legislature will also be elected. In a five candidate gubernatorial Democratic primary held earlier this week, the candidate who we hoped would win, Jim Tierney, did win solidly.

You, and other officers of your state federation, are warmly invited to attend our COPE Convention. Maine is a great place to be in mid-July.

In solidarity,

Charles J. O'Leary
President
Maine AFL-CIO

CJO/SJD
ufcw #1445
afl-cio.

BARNEY FRANK
4TH DISTRICT, MASSACHUSETTS

COMMITTEES:
GOVERNMENT OPERATIONS:

CHAIRMAN,
SUBCOMMITTEE ON
MANPOWER AND HOUSING
BANKING, FINANCE, AND
URBAN AFFAIRS

JUDICIARY

AGING

Cup Guilford

Congress of the United States
House of Representatives
Washington, D.C.

WASHINGTON OFFICE:
1317 LONGWORTH BUILDING
WASHINGTON, D.C. 20515
(202) 225-5931

DISTRICT OFFICES:
437 CHERRY STREET
WEST NEWTON, MASSACHUSETTS 02165
(617) 332-3920
(617) 223-1648

10 PURCHASE STREET
FALL RIVER, MASSACHUSETTS 02722
(617) 674-3551

8 NORTH MAIN STREET
ATTLEBORO, MASSACHUSETTS 02703
(617) 226-4723

May 29, 1986

Mr. Arthur Osborn
President
Massachusetts AFL-CIO
8 Beacon Street
Boston, MA 02108

Dear Mr. ~~Osborn~~ *Frank*

I appreciate your contacting me with regard to the impact the B&M strike has been having on its employees.

As you know, the President finally agreed to appoint an Emergency Board to help expedite the resolution of B&M's labor-management problems. I had written him urging that he do so, and I enclose a copy of my letter for your information.

Unfortunately, I understand the problems are far from over, as Guilford Transportation Industries, Inc., is continuing its union-busting tactics by laying off workers, claiming that this step is necessary due to lost business during the strike.

I have asked that I be kept apprised of any developments in this matter by the Governor's Secretary of Labor, and I will be watching the situation closely.

BF
BARNEY FRANK

BF/ne

Enclosure

C C C L
Congress of the United States
House of Representatives

EMPLOYMENT AND HOUSING SUBCOMMITTEE

OF THE

COMMITTEE ON GOVERNMENT OPERATIONS

RAYBURN HOUSE OFFICE BUILDING, ROOM B-349-A

WASHINGTON, DC 20515

May 15, 1986

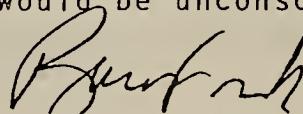
The President
The White House
Washington, D.C. 20500

Dear Mr. President:

I am writing with regard to the critical situation which has arisen as a result of B&M Railroad's employees' honoring picket lines set up by Maine Central Railroad workers. As you know, Maine Central's Brotherhood of Maintenance of Way Employees (BMWE) went on strike March 3 and no resolution of their dispute with Guilford Transportation Industries, Inc. (GTI) is in sight. As a result, one of the most vital means of transportation serving commuters and businesses in Massachusetts has come to a halt. Because the consequences of this deadlock have reached crisis proportions, the National Mediation Board has recommended that you convene an Emergency Board to resolve the BMWE's dispute with GTI. I urge you to act favorably upon this recommendation before the situation further erodes and those dependent upon B&M for commuter and freight service suffer even more than they have already.

Many businesses which normally rely upon B&M for shipping have been forced in recent weeks to fall back on trucking service where available -- a costly alternative which is going to grow more costly in the days ahead as oil prices again start to rise. But for many other firms in Massachusetts, particularly small businesses, trucking service is not even an alternative because the costs involved are prohibitive. The survival of many of these firms is now directly dependent upon a speedy resolution being reached in the B&M labor dispute.

Therefore, I trust you will act quickly to appoint an Emergency Board so that this dispute can be resolved as soon as possible. Surely there can be no doubt that the situation has reached a state of emergency, and to allow it to continue indefinitely at the expense of not only the parties directly involved but the thousands of individuals and businesses served by B&M as well, would be unconscionable.


BARNEY FRANK

5/27

Joseph M. Cronin
President

Berkeley Place at 330 Stuart Street
Boston, Massachusetts 02116

Telephone 617 426-9434

Massachusetts
Higher
Education
Assistance
Corporation

May 16, 1986

To: Timothy Barnicle, Director
Governor's Federal Relations Office

From: Joseph M. Cronin, President
Massachusetts Higher Education Assistance Corporation
J.M.C.

Re: Higher Education Budgets

The MHEAC Board recently voted to approve a statement on the feature of the President's higher education budget. I enclose copies for you, your staff, the Regents, Jerry Indelicato and others who need to know.

It is important for you to know what changes we can live with and what we cannot.

- o a 28 percent cut (President's proposal) equates to \$80 million reduction in loans;
- o a 15 percent cut equates to \$40 million less;
- o each \$10 million represents 4,000 students at \$2,500 (\$80 million = 32,000 students).

However:

1. The cuts in Pell grants, assumption of \$800 self help for all low-income students, and tougher needs test for loans work in concert to discourage students from either staying in school or applying;
2. The President's proposals to lay 10 percent of defaults on the lenders and to freeze the interest rate (which is now a variable rate) will force lenders drastically to reduce their student lending.

I might add:

1. GSL is not really exempt from Gramm-Rudman. The Department of Education simply met the 4.3 percent target by adding a 1/2 percent origination fee (to the existing 5 percent) to students getting a loan and a 4/10 of 1 percent reduction of subsidy to lenders for the first twelve months of a loan.
2. GSL because of reconciliation will take a major hit in the form of:
 - o multiple disbursements (a slowdown in getting the second half of the loan to campus);
 - o later default claim payments to lenders and to the guarantee agency (a paper savings and a cash flow slowdown).

Over time, some of these shavings and slowdowns will make the program unattractive and difficult to sustain.

An important footnote for Massachusetts is the fact that 60,000 students each year come to our state bringing loans and Pell grants. As many as half of them bring a loan from a lender elsewhere and another state guarantor - but spent on education in Massachusetts.

Thanks for your leadership. We need public-private cooperation to maintain our unique system of higher education.

1315A



HULL FIREFIGHTERS
LOCAL 2699
INTERNATIONAL FIREFIGHTERS UNION

POST OFFICE BOX 388, HULL, MA 02045

Thomas A. Claffey
President Local 2699
I.A.F.F./A.F.L.-C.I.O.

Mr. Laughlin:

A note to relay to you the results of our co-operative effort. Town meeting has been finalized for the time being, with resounding victories on our behalf. The anti development faction, has been met and driven back at almost every turn. However 2 articles remain to be met upon, that shall be in all probability be sometime early this fall. Those articles pertain to height, and density, requirements.

The last few evenings of this previous town meeting, were attended by many new faces, I had never seen before. In looking about the auditorium, I noted most of these new peoples, rose in unison to our efforts. I do believe we can summarize, those peoples to be unionists, what a pleasure.

Your correspondence we firefighters received in the mail, was extremely well composed and, hit the nail right on the head. Surely your hard work has helped turn the tide for a new Hull. This as well you know means jobs, lower taxes, and a general brighter outlook, to all the brothers, and sisters, in our community.

Mr. Laughlin, I hope I can count on your assistance again, when town meeting re-convenes this Autumn. I will contact you ahead of time, so we may plan our strategy.

Thank you sir, please keep in touch.

Sincerely;

Tom Claffey

President Local 2699

STATE COMMUNITY SERVICES COMMITTEE

MINUTES OF MEETING

MAY 1, 1986

*Reb to
Community Services
J. E. L.*

The meeting was held in Holyoke at the United Way office. It was called to order at 10:20 A.M. by Chairman Bob Goshea. Committee members attending were, John Sullivan, Joe Quirk, Bob Rodwell, Dick Piccuito, Vin DeMonaco, Ken Harkins, Helen Miranda and Secretary Beverly Therrien.

We were all very happy to see Al Hamilton at the meeting. Our happiness is two-fold, one he was able to attend and two it means he is now on the United Way Mass. Bay staff and another link in our chain of unity with community services. "Welcome Aboard Al".

Brochure - Most of the brochures were shown at the meeting and except for a few minor changes for the last two pages they will all be ready to go to the printers. John will meet with Dick during the week of May 5th to discuss the whole thing in detail with the printer. There was some discussion on color. It was not clear whether the stock (paper) would be different colors or if its just the tan stock with the color of the ink being different. Again, John and Dick will discuss that with the printer. We are sure each area will have a different color combination. Hopefully we will all have the brochures in our hands shortly and ready to distribute to those that will benefit from them.

Alcohol Program - The alcohol program in Brockton was attended by a few committee members. The committee discussed the program and decided to try to get one program going for each area. At a future date, key alcohol people will be contacted to be speakers.

State Labor Award - The committee did reach some understanding on the State Community Service Award. It will be given at the State AFL-CIO Conference in October of 1987 and the first recipient will be from the AFL-CIO community. Names with a brief biography will be submitted to this committee for selection.

State Community Service - The committee was in agreement to support a State Labor Liaison and work with him/her to promote our programs throughout the state.

Gompers-Murray Conference - All Set! Our presentation will be on Wednesday for 1½ hours from 1:30 to 3:00 and can be extended to 3:30 should we need the extra time. Bob will be the speaker representing the committee and he will introduce Kevin Johnson of Worcester and the person Bill Hauenstein has designated to participate in our program.

There will be a table set up with brochures of all our United Way and the AFL-CIO Labor/United Way brochure. There will also be an additional handout-promoting Mass. Community Services Representatives. It is a picture of the State with the United Way "little people" placed in their general area of the state with the name of the United Way they represent and a letter referring to the legend. The legend expands the reference by giving the person's name and phone number where they can be reached.

Above the map is the United Way logo and the AFL-CIO logo - between them are the words Networking for a Better Community, this refers to the "people" that are all connected to each other with lines ie a network of community services. We hope this leaflet will make those in attendance curious enough to question us about our programs and goals for Community Services. The leaflet was designed by our Secretary Bev Therrien with the aid of Patricia Bernier.

Vin informed us there is a 1986 Director of Labor Organizations out. We should all be receiving a copy.

Our next meeting is scheduled for Wednesday, May 21 at the Sheraton Regal at 10 A.M. (Gompers Murray Conference). We will dispense with our regular meeting agenda because we will be preparing the table for the brochures and leaflets and going over the last minute preparations for our presentation.

We wish to thank Bob for being such a great host and showing us how great the food at the "Golden Lemon" can be. Who said they were sour? Thanks also to Joe Shtulman for greeting us all and showing us what the kids in his community can do. That contest was a great idea and hopefully will make the children see how important it is to care for each other and be always willing to lend a hand. Good Work!

Everyone should have directions to the Sheraton. See you all in Hyannis.



Commonwealth of Massachusetts
Executive Office of Environmental Affairs
Department of Environmental Management

100 Cambridge Street
Boston
Massachusetts
02202

May 13, 1986

Office of the
Commissioner

George Carpenter, Secretary Treasurer
AFL-CIO of Massachusetts
8 Beacon Street
3rd Floor
Boston, MA 02108

Dear Mr. Carpenter:

I have enclosed for your review a copy of Hank Mastey's feasibility study on the proposed Massachusetts Labor History Education Center.

The Center is an exciting idea, combining the rich labor history of the state and the ongoing role of labor in today's society. Its location in Lawrence would compliment the Lawrence Heritage State Park and foster joint programming and events.

While the proposed budget is ambitious, the report can be an excellent vehicle for developing support and funding for the Center within the labor community and beyond.

I remain enthusiastic about the concept and will be happy to meet with you at any time to discuss the Department's continued involvement in the project.

Sincerely,

James Gutensohn, Commissioner
Department of Environmental Management

Michael S. Dukakis
Governor

James S. Hoyte
Secretary

James Gutensohn
Commissioner

*Refer to
Communication
pt. 2*



HOUSING INVESTMENT TRUST

John E. Evans
Chief Executive Officer and
Financial Manager

William C. Tutt
Deputy Financial Manager

Michael M. Arnold
Director of Investor Relations

May 9, 1986

*Refer to
Communication
A-E-0*

Mr. George E. Carpenter, Jr., Secretary-Treasurer
Massachusetts AFL-CIO
8 Beacon Street, 3rd Floor
Boston, Massachusetts 02108

Dear Trade Unionist:

For your information, I am pleased to provide you with copies of the new prospectus and brochure of the AFL-CIO Housing Investment Trust.

As you may know, the Trust was reorganized 18 months ago with the merger of the original Mortgage Investment Trust started by the AFL-CIO in 1964 and the Housing Investment Trust created by the Federation in 1983. Since the merger on October 1, 1984, the Trust has experienced continuous growth and made significant improvements in program operations while maintaining good returns to participants.

During the period of October 1, 1984 through March 31, 1986, the Trust:

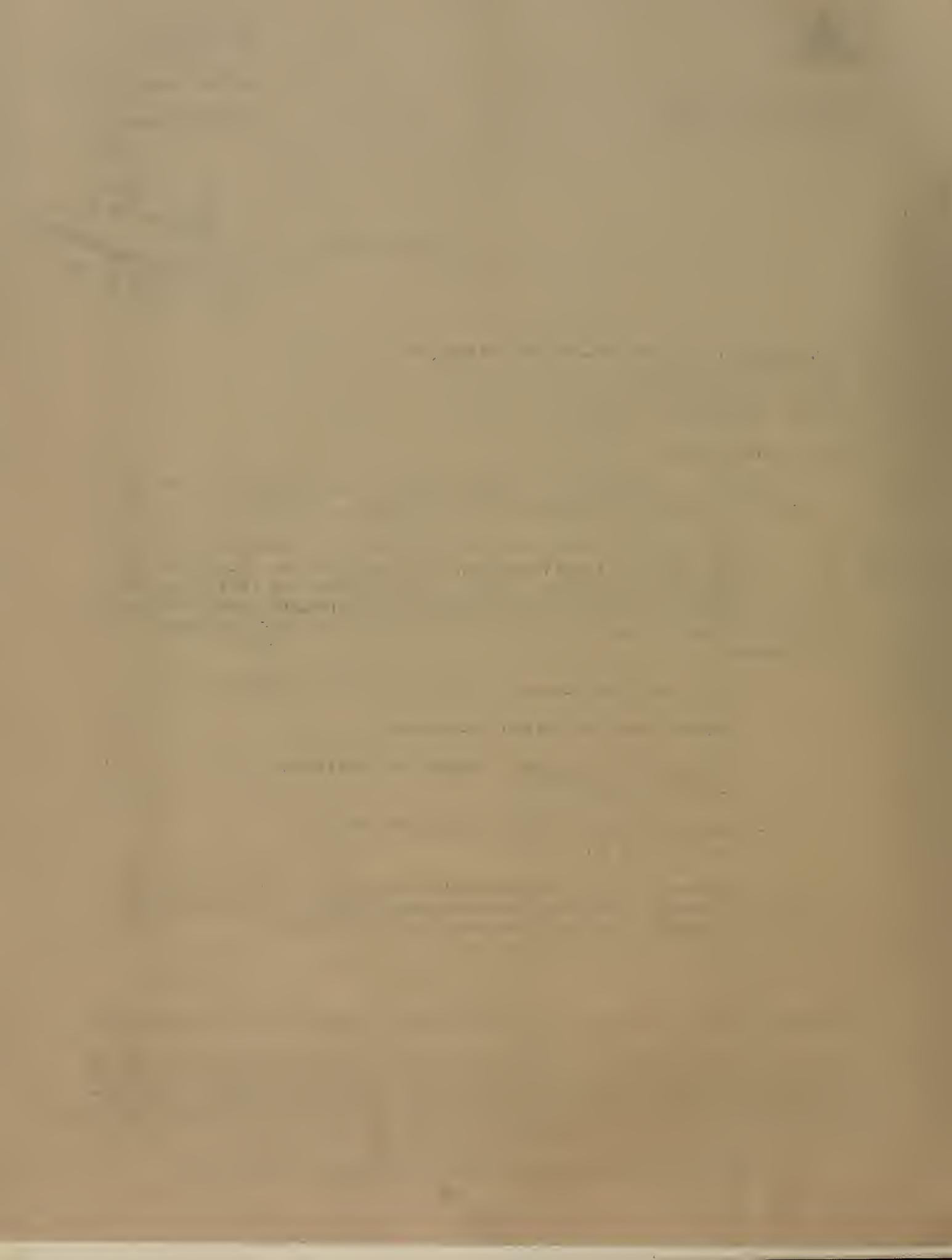
- increased total net assets by 36.8 percent
- reduced ratio of expenses to average net assets from 1.4 percent to .7 percent
- provided investors a total annualized net return on investment of 17.7 percent

In addition, the Trust has significantly increased investments in single and multi-family housing, nursing homes and retirement facilities. Investments by the Trust are, of course, limited to 100 percent union-built projects.

815 FIFTEENTH STREET, N.W., BOWEN BUILDING, SUITE 736, WASHINGTON, D.C. 20005 202/347-6877

Neutral Trustee and Chairman: Floyd H. Hyde—President, Floyd H. Hyde Associates, Inc.; *Union Trustees:* Lane Kirkland—President, AFL-CIO; Thomas R. Donahue—Secretary/Treasurer, AFL-CIO; Patrick Campbell—President, United Brotherhood of Carpenters and Joiners of America; John DeConcini—President, Bakery, Confectionery and Tobacco Workers International Union; Larry L. Dugan, Jr.—President, International Union of Operating Engineers; Angelo Fosco—President, Laborers' International Union; Robert A. Georgine—President, Building and Construction Trades Department, AFL-CIO; John J. Sweeney—President, Service Employees International Union; *Management Trustees:* Marvin S. Gilman—President, Metropolitan Executive Corp.; Daniel B. Grady—President, Monfric, Inc.; David K. Hill, Jr.—President, Kimball Hill, Inc.; James C. Houston—President, Houston Associates, Inc.; H. D. LaVere—President, Thunderbird Homes and Michigan Carpentry, Inc.; George Miller—Executive Vice President, Mason Contractors Association of America; Tony Stanley—Vice President, TransCon Builders, Inc.; Bernard Young—First Vice President, International Service System.

A JOINT LABOR-MANAGEMENT PROGRAM SPONSORED BY THE AFL-CIO

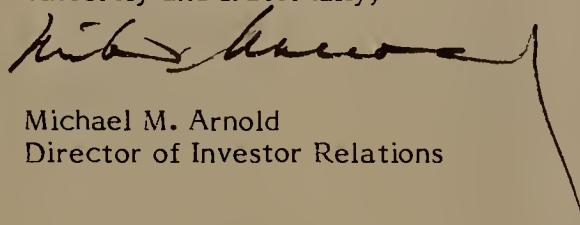


May 9, 1986
Page Two

The Trust is the only investment program sponsored by the AFL-CIO, and the goals of the Trust are fully consistent with those of the labor movement. In the period ahead, we will seek to increase assets and participation in the Trust in order to expand our investments in American jobs. Your support and assistance in these efforts will be appreciated.

If you have any questions or would like additional copies of the informational materials about the Trust, please let me know.

Sincerely and fraternally,



A handwritten signature in black ink, appearing to read "Michael M. Arnold". The signature is fluid and cursive, with a long horizontal line extending to the right from the end of the name.

Michael M. Arnold
Director of Investor Relations

MMA/sp
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Enclosures



AFL-CIO HOUSING INVESTMENT TRUST

736 Bowen Building
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Washington, D.C. 20005
(202) 347-6877

The primary objective of the American Federation of Labor and Congress of Industrial Organizations Housing Investment Trust ("Housing Trust") is to provide current income through a program of investment in construction and long-term mortgage loans and mortgage backed securities carrying competitive market yields. The Trust invests in obligations that are evidenced or secured by mortgage backed securities, mortgages or other liens on real estate. At least 90% of the mortgage loans and mortgage backed securities in which the Trust invests or the mortgages or mortgage backed securities that back mortgage backed securities in which the Trust invests are federally insured or guaranteed. At the same time, the Housing Trust seeks to promote important objectives of the American labor union movement by encouraging the construction of housing and by promoting additional and continuing employment for union members in the construction trades and related industries that provide materials, furnishings, appliances, and services related to housing construction. The Housing Trust proposes to achieve these union objectives by limiting its mortgage investments to union-built housing including housing for veterans, middle-and low-income families, and the aged.

**THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE
SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION
PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS.
ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

This Prospectus sets forth concisely the information about the Housing Trust that a prospective investor ought to know before investing. Investors should read and retain this Prospectus for future reference. A Statement of Additional Information about the Housing Trust has been filed with the Securities and Exchange Commission ("SEC") and is available upon request without charge from Housing Trust headquarters. The Statement of Additional Information is incorporated by reference in this Prospectus.



The date of this Prospectus is April 18, 1986.

The date of the Statement of Additional Information is April 18, 1986.

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No one has been authorized to give any information or to make any representations other than those contained in this Prospectus in connection with this offering, and if given or made, such information or representations must not be relied upon as having been authorized by the Housing Trust. This Prospectus does not constitute an offer to sell or a solicitation of any offer to buy any of these securities in any state to any person to whom it is unlawful to make such offer or solicitation in such state.

PROSPECTUS SUMMARY

The summary information below should be read in conjunction with the detailed information appearing elsewhere in this Prospectus.

Issuer

The Housing Trust is a common law trust created under the laws of the District of Columbia and sponsored by the American Federation of Labor and Congress of Industrial Organizations (“AFL-CIO”). The terms of the Housing Trust are set forth in the Declaration of Trust as amended to date (“Declaration of Trust”). See “HISTORY AND PURPOSE.”

The Housing Trust is governed by a Board of Trustees, consisting of eight Trustees who are officers of the AFL-CIO or its member unions (“Union Trustees”); eight Trustees (with one vacancy) who are officers or management employees of one or more businesses contributing directly, or indirectly through contractors, to an Eligible Pension Plan or management trustees of such a Plan (“Management Trustees”); and one Trustee who is neither an officer, trustee or employee of any organization that participates in the Housing Trust (“Neutral Trustee”). The number of Management Trustees may not exceed the number of Union Trustees except in case a Trustee dies or resigns before the expiration of his term. See “MANAGEMENT.”

Eligible Investors

Certificates of Participation (“Certificates”) representing Units of Beneficial Interest (“Units”) in the Housing Trust are offered, without charge of any sales load or commission, only to Labor Organizations as defined in the Declaration of Trust (“Labor Organizations”) and to pension plans constituting qualified trusts under Section 401(a) of the Internal Revenue Code (“IRC”) that have beneficiaries that are union members (“Eligible Pension Plans”). Eligible Labor Organizations include 96 national and international unions and 781 state and local central bodies directly affiliated with the AFL-CIO, the great number of local unions and state and local central bodies affiliated directly with those national and international unions, and other labor organizations. See “SECURITIES OFFERED.”

Securities Offered

Units representing interests in the Housing Trust are offered at the Net Asset Value per Unit as of the last business day of the calendar quarter (“Valuation Date”) following receipt of a purchase order. A minimum initial investment of \$10,000 is required. See “SECURITIES OFFERED.” Certificates may be issued for whole or fractional Units. Certificates are not transferable and are not assignable. The Housing Trust is an open-end company but Certificates are redeemable in whole or fractional Units as of quarterly Valuation Dates with at least 15 days prior written notice. See “REDEMPTION.” Each Certificate will be valued at its pro rata share of the Net Asset Value of the Housing Trust as of the close of business on the last business day of each calendar quarter.

Investment Objective

The Housing Trust’s investment objective is to provide income through investment primarily in construction and long-term mortgage loans and mortgage backed securities carrying

competitive market yields. The Trust invests in obligations that are evidenced or secured by mortgage backed securities, mortgages or liens on real estate. At least 90% of the mortgage loans and mortgage backed securities in which the Trust invests or the mortgages or mortgage backed securities that back mortgage backed securities in which the Trust invests are federally insured or guaranteed. The current market value of the Housing Trust's portfolio will fluctuate, primarily in response to changing interest rates.

The Housing Trust has been established to promote important objectives of the American labor union movement. Mortgage investments of the Housing Trust will include Federal Housing Administration ("FHA") insured and Veterans Administration ("VA") guaranteed long-term loans, Government National Mortgage Association ("Ginnie Mae") certificates, Federal National Mortgage Corporation ("Fannie Mae") mortgage-backed securities, Federal Home Loan Mortgage Corporation ("Freddie Mac") participation certificates, and construction loans, all of which are secured by union built projects. The Housing Trust is authorized to invest in securities backed by such instruments if the securities are rated in one of the two highest rating categories of a nationally recognized rating agency such as Standard and Poor's or Moody's. One purpose of these investments will be to encourage construction of housing and thereby facilitate additional and continuing employment for union members in the construction trades and related industries. In addition, to promote its objective of encouraging union construction, the Housing Trust may enter into pre-construction loan commitments. See "INVESTMENT OBJECTIVE AND POLICIES." The Housing Trust may also borrow money from banks so long as after such borrowing there is at least 300 percent asset coverage of all borrowings of the Housing Trust. See "INVESTMENT RESTRICTIONS." The Housing Trust will only acquire mortgages or mortgage backed securities bearing interest at rates competitive with rates generally available in the market for mortgages or mortgage backed securities with comparable terms and conditions.

Investment Management

The Housing Trust's Chief Executive Officer, assisted by the Financial Manager and Director of Investor Relations, is responsible for the day to day administration of the Housing Trust, including the selection of investments and communication with existing and potential investors. Except for the Chief Executive Officer, who is a salaried employee of the Housing Trust, these officers of the Housing Trust and their staff are salaried employees of the AFL-CIO. Their services are furnished to the Housing Trust under a Personnel Contract between the Housing Trust and the AFL-CIO. Under that contract the Housing Trust reimburses the AFL-CIO for the salaries and benefits of the officers and staff provided by the AFL-CIO by paying an annual fee, paid quarterly, at the rate of one-quarter of one percent (0.25%) per year of the value of the Housing Trust's total assets (determined quarterly) but not to exceed the actual costs to the AFL-CIO of providing such services (including unrecouped costs from prior periods) or a reasonable commercial fee, whichever is less. During the fiscal year ended September 30, 1985, the Housing Trust's expenses totalled \$768,154 or .7% of average net assets. See "MANAGEMENT."

Redemption

The Housing Trust will redeem Units after receipt of a written request for redemption. Redemptions will be made without any charge, at the Net Asset Value of each Unit, determined as of the next Valuation Date following the request. The Housing Trust will accept a

request for redemption only if received 15 days or more before the Valuation Date as of which the Net Asset Value is to be determined. It takes from two to three weeks to calculate the Housing Trust's Net Asset Value after a Valuation Date. Cash payment upon redemption will be made within seven days after the Net Asset Value has been determined. See "REDEMPTION."

Principal Risk Factors

The Net Asset Value of each Unit will reflect the market value of the Trust's portfolio of investments. Generally, market value of Housing Trust mortgage loans will fall below the principal amount of such loans at times when market interest rates rise above the interest rates on such loans. Investors who redeem at such times will suffer a proportionate loss of principal.

In certain periods of declining interest rates, the mortgages securing Housing Trust loans, including those backing Fannie Mae and Freddie Mac securities and other mortgage backed securities owned by the Housing Trust, may be prepaid by the various borrowers so that anticipated yields on such investments are reduced.

The Housing Trust generally anticipates holding its mortgage investments to maturity, but mortgage investments may be sold to the extent requests for redemption exceed the liquid assets available, or at other times if necessary to further the objectives of the Trust. The price obtainable for mortgages in such circumstances will depend upon market factors and may entail a discount from remaining face value.

The Housing Trust's emphasis on investment in long-term mortgage loans will leave the Housing Trust's portfolio vulnerable to reductions in value if the rate of inflation from time to time exceeds the rate of interest on Housing Trust loans.

In the event of defaults on loans in the Housing Trust portfolio, the Housing Trust may incur certain losses, despite the government guarantees or insurance on such loans, due to reductions in interest payments, assignment fees, foreclosure expenses, administrative costs, and other items. See "INVESTMENT OBJECTIVE AND POLICIES."

Although the Housing Trust operates as a diversified investment company, the Housing Trust's portfolio of mortgage investments may, from time to time, be nondiversified. The Housing Trust's investment risk will be increased to the extent it operates as a nondiversified company. See "RISK FACTORS."

Registered Investment Company

The Housing Trust has registered as an investment company under the Investment Company Act and accordingly is subject to the regulatory authority of the SEC. The Housing Trust has been exempted from certain investor protection provisions of the Investment Company Act. See "EXEMPTIONS FROM SPECIFIC REQUIREMENTS OF THE INVESTMENT COMPANY ACT" in the Statement of Additional Information. The SEC has not "approved" or "disapproved" the Certificates of Participation issued by the Housing Trust or passed upon the accuracy of this Prospectus.

No Investment Adviser and Underwriter

The Housing Trust operates without an independent investment adviser and without an underwriter. Investment policy and investment decisions are the responsibilities of the Hous-

ing Trust's Chief Executive Officer and the Financial Manager subject to the supervision and control of the Board of Trustees. Sales of Certificates are effected only by representatives of the Housing Trust at its Washington, D.C. headquarters. See "SALES AND DISTRIBUTION ACTIVITIES."

CONDENSED FINANCIAL INFORMATION

The following information regarding per unit income and capital changes is presented here for the four and one-half month period beginning May 20, 1983 (commencement of operations) and ending September 30, 1983 and the Housing Trust's fiscal years ending September 30, 1984 and 1985. The condensed financial information has been examined by KMG Main Hurdman, the Housing Trust's independent certified public accountants, and should be read in conjunction with the financial statements and the notes thereto. The following data is presented for each unit outstanding throughout each period.

	<u>1983</u>	<u>1984</u>	<u>1985</u>
Investment income	\$ 36.92	\$ 117.82	\$ 111.76
Expenses	<u>6.23</u>	<u>13.92</u>	<u>6.86</u>
Net investment income	30.69	103.90	104.90
Income distributed (1)	(30.69)	(103.90)	(104.90)
*Net realized and unrealized gains (losses) on investments	<u>(.98)</u>	<u>(33.96)</u>	<u>46.91</u>
Net increase (decrease) in net asset value	(.98)	(33.96)	46.91
Net asset value:			
Beginning of period	<u>\$ 1,000.00</u>	<u>\$ 999.02</u>	<u>\$ 965.06</u>
End of period	<u>\$ 999.02</u>	<u>\$ 965.06</u>	<u>\$ 1,011.97</u>
Ratio of expenses to average net assets (2)	<u>1.6%(3)</u>	<u>1.4%</u>	<u>.7%</u>
Ratio of net investment income to aver- age net assets (2)	<u>8.4%(3)</u>	<u>10.8%</u>	<u>10.5%</u>
Portfolio turnover rate	<u>.1%</u>	<u>.2%</u>	<u>11%</u>
Number of units outstanding at end of pe- riod	<u>20,456</u>	<u>108,712</u>	<u>118,956</u>
Total net assets, end of period	<u>\$20,435,947</u>	<u>\$104,914,186</u>	<u>\$120,380,392</u>

(1) Includes income distributed for the semi-annual periods ending March 31 and September 30 of each year.

(2) Average net assets were computed based on the net asset value at the end of each quarter. Investments are only valued quarterly.

(3) Percents are annualized.

* Primarily as a result of the fluctuations in market interest rates, the net unrealized gains (losses) on investments fluctuate from quarter to quarter. Return on investment calculated on a market value basis would consist of both net investment income and net unrealized gains (losses) on investments.

Pursuant to an order of the SEC dated October 1, 1984, the Housing Trust acquired all the assets of the AFL-CIO Mortgage Investment Trust ("Mortgage Trust") in exchange for Units of the Housing Trust on the basis of relative net asset values at September 30, 1984. While the Housing Trust does not concede that the Mortgage Trust is a "predecessor" organization to the Housing Trust, the following information is herewith presented for the Mortgage Trust's eight fiscal years ended June 30, 1984 as well as the Mortgage Trust's three month period ended September 30, 1984.

Selected Data for each Unit Outstanding throughout each Period

	Year Ended June 30				Three Months Ended September 30,			
	1977	1978	1979	1980	1981	1982	1983	1984
Investment income	\$ 35.30	\$ 36.64	\$ 36.91	\$ 41.30	\$ 45.83	\$ 48.48	\$ 39.21	\$ 56.69
Expenses	1.32	2.61	1.77	1.39	2.39	1.47	1.20	1.13
Net investment income	33.98	34.03	35.14	39.91	43.44	47.01	38.01	55.56
Income distributed(1)	(33.98)	(34.03)	(35.14)	(39.91)	(43.44)	(47.01)	(38.01)	(55.56)
Principal distributed								(10.67)
Net realized and unrealized gain (loss) on investments	5.49	(5.27)	(8.24)	(1.30)	(21.47)	2.88	21.15	(13.89)
Net increase (decrease) in net asset value	5.49	(5.27)	(8.24)	(1.30)	(21.47)	2.88	21.15	(13.89)
Net asset value								7.79
Beginning of year	382.95	388.44	383.17	374.93	373.63	352.16	355.04	376.19
End of year	\$ 388.44	\$ 383.17	\$ 374.93	\$ 373.63	\$ 352.16	\$ 355.04	\$ 376.19	\$ 362.30
Ratio of expenses to average net assets(2) . . . . .	.3%	.7%	.5%	.4%	.7%	.4%	.3%	.8%
Ratio of net investment income to average net assets(2)	8.8%	8.9%	9.3%	10.9%	12.1%	13.4%	10.2%	15.0%(3)
Number of units outstanding at end of period	168,000	185,442	184,916	183,228	178,465	172,941	161,127	160,675
Total net assets, end of period	\$85,258,137	\$71,056,218	\$69,329,976	\$68,460,306	\$63,146,251	\$62,058,596	\$62,040,157	\$58,211,860

(1) Includes income distributed for the semi-annual periods ending December 31 and June 30 of each year.

(2) Average net assets were computed based on the net asset value at the end of each quarter. Investments are only valued quarterly.

(3) The year ended June 30, 1984 includes interest income of \$2,984,407 on an income tax refund. If the ultimate realization of this income had been sufficiently certain to permit income recognition during each year the tax payment was outstanding (April 5, 1982 through June 27, 1984), net investment income per unit and the ratio of net investment income to average net assets would have been as follows:

	Year Ended June 30		
	1982	1983	1984
Net investment income per unit	\$49.09	\$47.09	\$44.09
Ratio of net investment income to average net assets	13.9%	12.6%	11.9%

(4) Percents are annualized.

HISTORY AND PURPOSE

The Housing Trust is a common law trust created under the laws of the District of Columbia pursuant to a Declaration of Trust originally executed September 19, 1981 and most recently amended on January 7, 1986. The Housing Trust is an open-end management company with a portfolio that may be either diversified or non-diversified, as it changes from time to time. The Housing Trust has been established under the sponsorship of the AFL-CIO as an instrumentality of the United States labor union movement.

The Housing Trust acquired all the assets of the AFL-CIO Mortgage Investment Trust ("Mortgage Trust") in exchange for Units of the Housing Trust on the basis of relative net asset values as of September 30, 1984. The exchange was approved by order of the SEC dated October 1, 1984. Housing Trust Units received in the exchange were distributed on a pro rata basis to Mortgage Trust participants as of September 30, 1984 and the Mortgage Trust was thereupon liquidated.

The Housing Trust is an investment company operated without profit to the Housing Trust or the AFL-CIO for funds controlled by or of interest to unions that may wish to place a portion of their assets in long-term mortgage investments. The Housing Trust pays expenses of trust administration but no investment advisor earns a profit of the sort normally taken by the investment adviser for a commercial investment company; instead the Housing Trust distributes all net earnings on investment to Participants. The AFL-CIO's fee for services is limited to cost or a reasonable commercial fee whichever is less, so that the AFL-CIO earns no profit on Housing Trust activities. See "MANAGEMENT." The Housing Trust increases the amount of financing available for housing and other construction projects. It thereby creates job opportunities for union labor in the construction trades and related industries and stimulates the production of needed housing.

The Labor Organizations and Eligible Pension Plans for which the Housing Trust is designed ("Participants") are institutional-type investors who are interested in a long-term income investment program. Certificates are sold without charge of any sales load or commission. Certificates are nonassignable and nontransferable. The minimum initial investment by any Participant is \$10,000. Each Certificate is valued at its pro rata share of the Net Asset Value of the Housing Trust as of the close of business on the last business day of each calendar quarter ("Valuation Date"). The Housing Trust is an open-end investment company but Certificates will only be redeemable as of each Valuation Date with at least 15 days prior written notice. Any order to purchase or request for redemption of Certificates made between Valuation Dates is honored as of the next Valuation Date. The Housing Trust distributes net income semi-annually.

INVESTMENT OBJECTIVE AND POLICIES

The investment objective of the Housing Trust is to earn income through investment in construction and long-term mortgage loans and mortgage-backed securities secured by mortgage backed securities, mortgages or other liens upon real estate. At least 90% of the mortgage loans and mortgage backed securities in which the Trust invests or the mortgages or mortgage backed securities that back mortgage backed securities in which the Trust invests must be federally insured or guaranteed. Pending investment in such loans and securities, assets of the Housing Trust are held in various instruments, including United States gov-

ernment issues, federal agency issues, mutual funds that invest in such securities, commercial paper, and other liquid instruments which may or may not be secured by real estate or by federal guarantees or insurance.

Projects on which the Housing Trust will originate or purchase a mortgage loan are limited to union built projects. The Housing Trust will only acquire mortgages with yields competitive with those then generally prevailing on mortgages having comparable terms and conditions taking into account differences in risk including those resulting from differences in properties, borrowers and loan terms.

Under existing federal housing programs, the federally insured or guaranteed mortgage loans eligible for direct purchase by the Housing Trust are first mortgage loans insured by the Department of Housing and Urban Development ("HUD") acting by and through the FHA to finance the purchase and ownership of completed single family dwellings, multifamily housing projects and certain health care facilities, including hospitals, intermediate care facilities, and nursing homes. These mortgage loans have maturities that range from 10 to 40 years from project completion and commencement of principal repayments. The Housing Trust may also purchase mortgage loans guaranteed by the VA to finance the purchase of single family dwellings.

Federally guaranteed mortgage-backed certificates also are eligible for purchase by the Housing Trust. Such certificates are issued by a mortgage banker or other lender and carry the right to receive principal and interest payments related to payments of principal and interest under one or more identified mortgages. Full and timely payment under these mortgage backed securities is guaranteed by Ginnie Mae and backed by the full faith and credit of the United States. These Ginnie Mae securities are readily marketable, generally at publicly quoted prices. Such Ginnie Mae securities bear interest at rates slightly less than the whole loans backing such securities, reflecting the cost of the Ginnie Mae guarantee and servicing of the mortgages in the pool.

The Housing Trust is also authorized to invest in mortgage backed pass-through or pay-through securities if the securities are rated in one of the two highest rating categories of a national rating agency, such as Standard and Poor's or Moody's, and also backed by mortgage investments in which the Trust is otherwise authorized to invest.

Mortgage backed pass-through or pay-through securities are securities sometimes issued by privately owned corporations and secured by mortgages or mortgage related instruments such as FHA insured or VA guaranteed loans or Ginnie Mae securities, and provide certain characteristics and features that federally insured loans or guaranteed certificates do not. Although payment of the principal of, and interest on, such mortgage backed securities may be secured by Ginnie Mae securities, FHA insured loans or other investments in which the Trust is authorized to invest in directly, such securities represent obligations solely of the issuer and are not themselves guaranteed or insured by any governmental entity or instrumentality.

Although the Trust will purchase only mortgage-backed securities that have been rated in one of the two highest rating categories by a nationally recognized statistical rating agency, there is no assurance that any rating on bonds purchased by the Trust will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating can be expected to have an adverse effect on the value of the bonds and the Trust's net asset value.

(6) underwrite the securities of other issuers except that the Housing Trust may resell to other financing institutions all or a portion of the interests in loans acquired by the Housing Trust in transactions exempt from registration under the Securities Act;

(7) concentrate its investments in any industry except the real estate industry as set forth in the first unnumbered paragraph below;

(8) purchase or sell real estate (other than real estate mortgage loans and construction loans) except for real estate acquired through the foreclosure of mortgage loans and construction loans held by the Housing Trust;

(9) purchase or sell commodities or commodities futures contracts;

(10) lend any assets of the Housing Trust except as set forth in the first unnumbered paragraph below; or

(11) borrow money from banks unless immediately after such borrowing there is an asset coverage of at least 300 percent of all borrowings of the Housing Trust. Not more than 50 percent of the value of the Housing Trust's assets will be used as security for such borrowings. This borrowing provision is not for investment leverage, but primarily to facilitate management of the portfolio by enabling the Housing Trust to meet redemption requests and to make advances on existing construction loans and to meet outstanding Trust commitment obligations (and, on occasion, to make income distributions) when available Housing Trust cash is insufficient for such purposes and the liquidation of portfolio securities is deemed to be inconvenient or disadvantageous. Interest paid by the Housing Trust on borrowed funds will decrease the amount of Trust assets available for investment.

The Housing Trust concentrates its investments in the real estate industry. It invests up to the entire value of its assets in mortgage loans and mortgage backed securities, which will be secured by mortgages or liens on real estate, at least 90% of which mortgages or mortgage backed securities acquired by the Trust or backing securities acquired by the Trust will be federally insured or guaranteed. The Housing Trust also makes advances to Housing Trust investors collateralized by their Certificates in connection with the redemption of such Certificates as permitted by its redemption practices.

RISK FACTORS

Fluctuating Interest Rates

The Housing Trust does not intend to trade for short-term profit. While the Housing Trust retains the freedom to sell all or any portion of its assets if circumstances suggest the prudence of that course, it will manage its assets with the expectation that despite major temporary fluctuations in interest rates from time to time, return on assets over a long term will be satisfactory. Nevertheless, the market value of Housing Trust mortgage loans and the resulting net asset value of the Housing Trust portfolio will fluctuate with short-term changes in interest rates. When market interest rates rise, the net asset value of the Housing Trust will decline; participants who redeem Units in such circumstances will suffer the resulting loss in value of Housing Trust assets. Conversely, in certain periods of declining interest rates, the mortgages backing Ginnie Mae, Fannie Mae or Freddie Mac securities or other mortgage backed securities as well as all mortgages securing Housing Trust loans may be prepaid by the various borrowers so that interest yields are reduced.

During periods of declining interest rates, amounts received as interest payments and prepayments of principal on the Trust's investments will be reinvested, but typically at interest rates lower than the interest rate on the investment on which interest payments and prepayments are received. In addition, to the extent the Housing Trust purchases mortgage loans or certificates at a premium (i.e., an amount in excess of the principal amount of the mortgage loans or certificates), partial prepayments of principal would reduce the yield to the Trust and, in the event of complete prepayment, the Housing Trust would be unable to recover or recoup the premium.

Resale Market For Loans

The Housing Trust normally anticipates holding all its loans to maturity. However, should the Housing Trust sell such loans before maturity, it may, on occasion, be able to dispose of them only at a discount from their remaining face value due to limits on demand in the resale market and fluctuating interest rates.

A number of factors constrain the marketability of the long-term loans in which the Housing Trust proposes to invest. Administrative loan servicing requirements and costs and other factors somewhat restrict the resale market for single-family mortgage loans. The large denominations of loans for multifamily projects restrict the number of buyers interested in them. In the case of any long-term loan, the market is apt to be more limited than for loans of shorter maturity. Required liquidation of long-term loans in an unfavorable market could result in significant losses from face value.

The market for construction loans is affected by the uncertainties inherent in building construction. If a loan is sold during the construction period, the purchaser customarily will seek assurances as to the status of construction, the nature of the permanent loan commitment and other matters relating to the underlying project. These and other factors may cause delays in the event a decision is made to sell a construction loan.

Constraints on marketability of the Housing Trust's portfolio of long-term and construction loans make it appropriate for the Trust to hold assets that are more liquid than housing loans in amounts adequate to meet anticipated requests for redemption. The Trust will attempt to maintain an amount of liquid assets adequate for such purposes but there can be no assurance that it may not become necessary to further the objectives of the Trust to liquidate long-term mortgages or construction mortgages.

Inflation

The Housing Trust invests primarily in long-term mortgage loans and mortgage-backed securities, which are secured by mortgages or mortgage backed securities at least 90% of which are insured by the FHA or guaranteed by the VA or Ginnie Mae or backed by such instruments. Such loans do not include any provision giving the lender the right to require repayment of principal in advance of maturity except in the case of default. Such loans generally permit the borrower to repay all or any portion of the principal without penalty. Since the rate of inflation in the national economy from time to time may exceed even very high interest rates, there can be no assurance that interest payable in dollars on long-term mortgage loans of the Housing Trust will be sufficient, if inflation erodes the purchasing power of the dollar, to result in a real return on invested funds, or to prevent diminution in the real

value of the amount lent although continued sales of Units of Participation will tend to mitigate such diminution. The Housing Trust cannot anticipate or control fluctuations in economic conditions affecting the value of the Housing Trust's portfolio. Those conditions include the rate of inflation, the strength and vitality of the mortgage and home credit industries, fluctuations in interest rates, and local conditions affecting the status of particular mortgages.

Defaults on Loans

The Housing Trust may experience certain losses in the event of default on its mortgages, even federally insured or guaranteed loans. Losses can occur as a result of: (1) the requirement in some cases that the holder of a mortgage in default generally pay an assignment fee of 1% when receiving an insurance settlement; (2) the requirement in some cases that the holder of the mortgage obtain title to the property, through foreclosure or otherwise, in order to obtain an insurance settlement; (3) the fact that federal agencies can, in some cases, settle insurance obligations by payment in debentures rather than in cash; (4) possible offsets of insurance proceeds against amounts held by the Trust or mortgage banker; (5) loss of certain interest payments upon default that are not covered by certain FHA insurance programs; (6) costs of foreclosure and related costs; and (7) other reasons. In addition, not all the mortgage backed securities in which the Trust may invest are federally insured or guaranteed.

Competition

In making investments, the Housing Trust must compete with savings and commercial banks, savings and loan associations, insurance companies, institutional investors, mortgage bankers, pension funds, state and local housing finance agencies, publicly marketed limited partnerships, other real estate trusts and other lenders, many of whom have greater resources and more flexibility than the Housing Trust.

Lack of Diversification

The Declaration of Trust does not specify the proportion of the Housing Trust's assets that may be committed to each of the several types of investments the Housing Trust may make. The Housing Trust plans to follow a policy of investing no more than 15 percent of the value of its total assets in any single first mortgage or construction loan as of the time of investment. The Investment Company Act defines a "diversified company" as an investment company that maintains at least 75 percent of the value of its total assets in, among other investments, securities of any one issuer limited to an amount not greater in value than 5 percent of the value of the company's total assets. For this reason, the Housing Trust's ability to lend up to 15 percent of its total assets in a single first mortgage or construction loan under its policy may from time to time result in the Housing Trust's investment portfolio shifting from nondiversified to diversified and back again, without prior investor approval. This shift is contrary to Section 13(a)(1) of the Investment Company Act, absent prior security holder approval. However, the Housing Trust has obtained from the SEC an exemption from this requirement of Section 13(a)(1) insofar as the exemption might be necessary for the Housing Trust to conduct its investment practices as described above. The Housing Trust's investment risk will be increased to the extent it operates as a nondiversified company. See "EXEMPTIONS FROM SPECIFIC REQUIREMENTS OF THE INVESTMENT COMPANY ACT" in the Statement of Additional Information.

MANAGEMENT

Under the terms of the Declaration of Trust, the power to exercise a controlling influence over the management and policies of the Housing Trust is vested exclusively in the Board of Trustees. The Declaration of Trust provides that up to ten of the Trustees will be Union Trustees, up to ten of the Trustees will be Management Trustees, and one Trustee will be a Neutral Trustee. The Board of Trustees currently consists of the Neutral Trustee, eight Union Trustees and eight Management Trustees (with one Management Trustee vacancy). The number of Management Trustees may not exceed the number of Union Trustees except in case a Trustee dies or resigns before expiration of his term.

The Board of Trustees has overall responsibility for the management of the Housing Trust. Between meetings of the full Board, the Executive Committee of the Board of Trustees, consisting of the Neutral Trustee, one Union Trustee and one Management Trustee, acts for the Board in managing Housing Trust affairs. When the Executive Committee is not in session, the Chief Executive Officer is responsible for Housing Trust management.

The Declaration of Trust divides the Union and Management Trustees into three Classes. Each Class has, insofar as the pool of trustees permits, an equal number of Union and Management Trustees. The term of each Class expires at the third annual meeting following its election. At each annual meeting, the Participants will elect a Neutral Trustee to serve until the next annual meeting and such number of Trustees as is necessary to fill vacancies in the Class whose terms expire as of that meeting and any Trustee appointed to complete the remainder of a term. The current Trustees and officers of the Housing Trust and their principal occupations are described in the Statement of Additional Information under "MANAGEMENT OF THE FUND."

The Housing Trust pays the Neutral Trustee and the Vice Chairman of the Executive Committee \$500 per day for participation in Board of Trustee meetings and committee meetings. The Housing Trust pays Management Trustees \$300 per day for participation in Board of Trustee meetings and committee meetings. The Housing Trust pays no remuneration to any Union Trustee. Individual Trustees are reimbursed for out-of-pocket expenses of attending Trustee and committee meetings. Commencing March 17, 1986, the Housing Trust will employ the Chief Executive Officer as a salaried employee.

The Housing Trust and the AFL-CIO are parties to a Personnel Agreement pursuant to which the AFL-CIO is obligated to furnish the Housing Trust certain personnel (approved by the Housing Trust) to act as Financial Manager, Director of Investor Relations and staff. This contract is renewable annually. The fee paid by the Housing Trust to the AFL-CIO is one-quarter of one percent (0.25%) of total assets per annum payable quarterly on the basis of 0.0625% of the total assets of the Housing Trust as of the immediately preceding Valuation Date, but not more than the costs incurred in providing the services to the Housing Trust (including unrecouped costs from prior periods), or a reasonable commercial fee, whichever is less. See "MANAGEMENT OF THE FUND" in the Statement of Additional Information for a more detailed discussion of the Personnel Contract.

During the Housing Trust's fiscal year ended September 30, 1985, the following fees were paid by the Housing Trust to the AFL-CIO: \$79,355.47 on January 24, 1985 for the quarter ended December 31, 1984; \$84,046.89 on April 6, 1985 for the quarter ended March 31, 1985; \$86,850.20 on July 12, 1985 for the quarter ended June 30, 1985; and \$90,131.00 on October 9, 1985 for the quarter ended September 30, 1985.

The Housing Trust has no independent investment adviser. Investment decisions are made by the Chief Executive Officer and the Financial Manager of the Housing Trust under the supervision of the Executive Committee and, ultimately, the Board of Trustees. Since both the Chief Executive Officer and the Financial Manager are officers of the Housing Trust and neither is engaged in the business of providing securities investment advice to others, neither the Chief Executive Officer nor the Financial Manager plans to register as an investment adviser under the Investment Advisers Act of 1940. The Housing Trust has no independent transfer agent or dividend paying agent. Issuance and redemption of Certificates and distribution of interest income are the responsibility of the Chief Executive Officer and his staff.

The Housing Trust's Chief Executive Officer plans to acquire the Housing Trust's mortgage investments from, in participation with, or with service assistance of FHA and VA approved mortgage banking firms and depository institutions located throughout the United States believed to be in a position to know the standing of local builders and other borrowers and the merit of the building projects considered for investment. The Chief Executive Officer has broad discretion regarding the mortgage banking firms and institutions through which he deals. Construction loans and first mortgage loans are acquired from mortgage banking firms or other lenders on a net price basis without commissions, although the Housing Trust will typically pay the mortgage banker or depository institution involved an ongoing loan servicing fee in connection with whole mortgage loans and participations therein, in each case ranging from $\frac{1}{8}$ to $\frac{1}{2}$ of one percent of the amount involved in the transaction.

The Housing Trust does not ordinarily engage brokers to effectuate transactions in mortgage loans or securities. It is customary for brokers for construction and long-term real estate loans to be engaged by the mortgage-borrower without expense to mortgage lenders such as the Housing Trust. Transactions in short-term liquid assets are customarily effectuated on a net price basis without commission.

During the fiscal year ended September 30, 1985, the Housing Trust's expenses totaled \$768,154 or .7% of average net assets during the fiscal year. The Housing Trust does not expect to incur a material amount of extraordinary expense during the current fiscal year.

INCIDENTS OF OWNERSHIP OF UNITS

Beneficial interests of the Housing Trust are divided into Units representing equal portions of Housing Trust assets. Rights arising from ownership of Units are set forth in the Declaration of Trust. The Declaration of Trust can be amended by vote of a majority of Trustees without any requirements of a vote by holders of Units. However, the Declaration of Trust provides that, notwithstanding anything to the contrary contained in the Declaration of Trust or any amendment thereto, no part of the Housing Trust that equitably belongs to any investor (other than such part as is required to pay the expenses of the Housing Trust) is to be used for any purpose other than the exclusive benefit of the investors.

Each Unit carries the right to vote to elect a Class of Trustees, to approve selection of the auditors for the Housing Trust, and to approve changes in investment policy. Each Unit entitles the holder thereof to participate pro rata with all other Units in the distribution of assets in any liquidation of the Housing Trust. No preemptive rights attach to Housing Trust Units; the Trustees have the right to sell or exchange Units without offering the same to the holders of the then outstanding Units.

The overwhelming majority of jurisdictions in the United States recognize a trust, such as the Housing Trust, as a separate legal entity, wholly distinct from its beneficiaries. In those jurisdictions, the beneficiaries of a trust, such as the Participants in the Housing Trust, are not liable for the debts or other obligations of the trust. A few jurisdictions, particularly Texas and Kansas, do not recognize so-called "business trusts" as separate legal entities and hold the beneficiaries of such trusts personally liable for actions of the business trusts. The Housing Trust nevertheless does not expect to exclude otherwise eligible investors and borrowers in Kansas and Texas and other such jurisdictions from investing in Housing Trust Units or borrowing from the Housing Trust.

The Declaration of Trust requires that every written undertaking contain a provision stating that such undertaking is not binding upon any investor personally and that any person, firm, corporation, or association dealing with the Trustees shall be limited to satisfying any obligation, liability, or covenant of the Trustees out of the Housing Trust property and not out of the personal property of any investor. Counsel for the Housing Trust is of the opinion that in the overwhelming majority of jurisdictions, no personal liability will attach to the holders of Units on any undertaking containing such a provision. However, in those jurisdictions that refuse to recognize the separate status of trusts such as the Housing Trust, Participants could be held personally liable for claims against the Housing Trust. These claims could include contract claims where the provision referred to above is omitted from the undertaking, tort claims, tax claims, and certain other statutory liabilities. If such liability were ever imposed upon Participants, they would only be liable to the extent that Housing Trust assets and insurance were not adequate to satisfy the claims.

The Housing Trust issues Certificates to evidence ownership of Units. The Certificates and the Units evidenced thereby are not transferable and are not assignable. No holder of a Certificate has the authority to pledge its Certificate or the Units evidenced thereby as collateral for any loan, except in order to obtain advances from the Housing Trust during periods between Valuation Dates. See "SECURITIES OFFERED."

The Trust at the end of each semi-annual period (September 30 and March 31 of each year) makes pro rata distributions of net income earned during the preceding six-month period. Such distributions are made in cash. Pursuant to an Internal Revenue Service ruling received by the Trust, the Participants may authorize the Housing Trust to automatically reinvest any dividends to which the Participant is entitled in the Housing Trust in exchange for a corresponding amount of Units, calculated at the Net Asset Value as of the distribution date.

In case of the loss or destruction of a Certificate, the Trustees may, under such terms as they deem expedient, issue a new Certificate in place of the one lost in which case a reasonable charge may be made for such replacement to the Participant whose Certificate had been lost and replaced.

The Declaration of Trust may be amended or altered by a majority of the Trustees at any time. The Trust may be terminated at any time by the Trustees after notice in writing to all Participants.

Any inquiries or expressions of interest concerning sales transactions should be referred to the Director of Investor Relations at Housing Trust headquarters in Washington, D.C.

SECURITIES OFFERED

Only "Labor Organizations" and "Eligible Pension Plans" are eligible to own Units or to hold Certificates. A Labor Organization means any organization of any kind, any agency, employee representation committee, group, association, or plan in which employees participate directly or through affiliated organizations which exists for the purpose, in whole or in part, of dealing directly or through affiliated organizations with employers concerning terms or conditions of employment and any employee benefit plan of such an organization. An Eligible Pension Plan is a pension plan constituting a qualified trust under IRC § 401(a) that has beneficiaries who are represented by a Labor Organization and the management of which has the discretionary right to invest funds of beneficiaries without the direct intervention or control of those beneficiaries.

The price of Certificates is based on Net Asset Value as of the quarterly Valuation Date following receipt of a purchase order by dividing the value of the Housing Trust's portfolio plus any cash and other assets (including interest and dividends accrued but not collected) less all liabilities (including accrued expenses but excluding capital and surplus) as of that Valuation Date by the number of Units then outstanding.

Admissions to or withdrawal from the Housing Trust is permitted in whole or fractional Units as of quarterly Valuation Dates. A request for purchase of Units must be received by the Housing Trust before the Valuation Date as of which they are to be issued. A minimum initial investment of \$10,000 is required. A request for purchase of Units must be accompanied by cash or by a subscription agreement providing for a cash escrow of the amount to be invested as of the forthcoming Valuation Date.

Forms of subscription agreements with banks providing for a cash escrow purchase to which escrowed amounts will be held in interest bearing form are available from the Housing Trust. There is no sales charge or commission payable in connection with the purchase of Units or the escrow.

Because the secondary market for the federally guaranteed and insured mortgage and construction loans in which the Housing Trust will invest may not permit ready ascertainment of a market price for any particular mortgage in the Housing Trust's portfolio, the Housing Trust's mortgage and construction loans and other portfolio assets are valued at fair value as determined in good faith under procedures approved by the Board of Trustees in accordance with the following guidelines:

Short-term securities. Short-term securities that mature less than 60 days after the Valuation Date, such as certificates of deposit, commercial paper and repurchase agreements, are valued at amortized cost, in which case discounts or premiums as of the date of purchase are prorated according to the length of time the security has been held. Short-term securities that mature more than 60 days after the Valuation Date are valued at the last reported sales price on the last business day of the year as the mean between the reported bid and ask price if there was no sale.

FHA debentures. FHA debentures, which are redeemable at face value when used in payment of FHA insurance premiums on certain multi-family permanent loans, are valued at market by giving consideration to the average quotes obtained from independent brokerage firms that trade daily in FHA General Insurance Fund debentures. These securities are expected to constitute an insignificant portion of the Housing Trust's total assets.

Ginnie Mae Securities. Ginnie Mae securities are valued at the mean between the reported bid and ask price on the last business day of a calendar quarter for securities of comparable interest rates maturities. Reported bid and ask prices are interpolated if a price for comparable securities is not quoted.

Fannie Mae Securities and Freddie Mac Certificates. Fannie Mae mortgage backed securities and Freddie Mac participation certificates are valued to reflect current market yields as determined by giving effect to the average of quotes obtained from dealers in these mortgage backed securities and current yields on Ginnie Mae securities and other U.S. Government Securities. Reported bid and ask prices are interpolated if a price for comparable securities is not quoted.

Construction loans. FHA construction loans for which the Trust has committed to provide permanent financing in the form of Ginnie Mae securities are valued in the same manner as Ginnie Mae securities. Construction loans for which there is no commitment by the Housing Trust to provide permanent financing are valued based on a method that averages quotes from various mortgage bankers on new construction loans of like size, type and maturity, taking into consideration such factors as remaining life and present values with consideration given to weighed comparisons on the market for U.S. Treasury notes of comparable maturities.

FHA insured and VA guaranteed loans. The value of the Housing Trust portfolio of single-and multi-family long-term mortgages will be calculated by valuing the outstanding principal balance of each mortgage loan at the amount necessary to obtain the yield received on current transactions in such loans. To accomplish this valuation the Housing Trust reviews current yields available at market for new FHA and VA mortgages as published in various publications. In addition, consideration is also given to other publicized yields, for example, yields as set forth by the Federal Home Loan Bank Board and returns on Ginnie Mae securities. Quotes are also obtained from independent mortgage banking sources who make markets in new and secondary mortgage loans of the type in which the Housing Trust invests. Through formulation of these returns on market, the Housing Trust makes necessary adjustments to price its mortgage loans to yield what is believed to be comparable to other loans of like size, interest rate, and maturity.

In addition to the valuation methods described above, all investments are reviewed and appropriate adjustments are made to reflect the effect of income (collected or accrued), realized and unrealized gains and losses, expenses, and any material impairments in value arising from the specific conditions of investment (e.g., mortgage in default).

SALES ACTIVITIES

The Housing Trust conducts sales and distribution activities for Units that are directed to certain pension plans. These activities, which are the Director of Investor Relations's responsibility, include solicitations in person or by mail or telephone, as well as responding to inquiries concerning the Housing Trust's offering of Certificates and the ministerial and clerical work of effecting sales of Certificates. Expenses of sales and distribution of Certificates are paid by the Housing Trust pursuant to a Plan for Distribution adopted by the Trustees pursuant to SEC Rule 12b-1 under the Investment Company Act.¹ The budget for the sales and distribution activities authorized by the Participants is \$150,000 per year. Such sales and distribution expenses for the fiscal year ended September 30, 1985 were \$39,778, which represents approximately .03% of \$120,380,392 in net Housing Trust assets as of September 30, 1985. No material increase in this budgeted rate of sales and distribution expense will be made without Participant approval. See "SALES AND DISTRIBUTION ACTIVITIES" in the Statement of Additional Information for a more detailed discussion of sales and distribution.

REDEMPTION

A request for redemption of Units will be honored if received 15 days or more before the Valuation Date on which the Units are to be redeemed. Certificates are redeemable in whole or fractional Units. Payment in satisfaction of duly tendered requests for redemption will be made as soon as practicable and, in any event, within seven days after the Net Asset Value of the Housing Trust is ascertained for the Valuation Date as of which redemption is effected.

Upon the agreement of the redeeming Participant, the Housing Trust may tender securities or mortgages or other Housing Trust assets in partial or full satisfaction of a duly tendered request for redemption. Such securities, mortgages, or other assets will be treated for redemption purposes as the cash equivalent of their value on the Valuation Date on which redemption is effected. A Participant receiving such assets may incur expenses in disposing of such assets for cash.

Section 22(c) of the Investment Company Act and SEC Rule 22c-1 thereunder provide that no registered investment company issuing a redeemable security and no principal underwriter of such company shall sell or redeem any such security except at a price based on the current net asset value of such security that is next computed after receipt of a tender of such security for redemption or of an order to purchase such security. Section 22(e) provides that no registered investment company shall postpone the date of payment upon redemption of a redeemable security in accordance with its terms for more than seven days after the tender of such security for redemption except in certain limited circumstances. The Housing Trust's redemption policies do not conform to the foregoing requirements. The Housing Trust has obtained exemption from generally applicable redemption requirements on the grounds that

¹ In general, SEC Rule 12b-1, with which the Housing Trust will comply, requires that a Plan for Distribution be approved in a specified manner by the holders of voting securities and Trustees, that quarterly reports of distribution expenses be made to the Trustees, and that the plan be terminable upon specified conditions.

the interests of its Participants will make investment and redemption other than on a quarterly basis unnecessary and that daily valuation of the Housing Trust portfolio of mortgage loans would be unduly burdensome. The Board of Trustees has authorized monthly valuations of the Housing Trust's assets, which will enable the Housing Trust, after approval of the Board of Trustees, to sell and redeem certificates on a monthly, rather than quarterly, basis.

As part of its redemption policies, upon receipt of a written irrevocable request for redemption by a Participant, the Housing Trust, in the exercise of its discretion in exceptional circumstances involving extreme financial need of a Participant, is empowered to advance funds to such Participant on a non-discriminatory basis to the extent cash is available. The Participant must tender its irrevocable election to withdraw Units as of the next Valuation Date. In ordinary circumstances, no request for an advance will be honored if made less than 15-days before the Valuation Date. Any advance made by the Housing Trust pursuant to this authority (1) will be secured by the Units designated for redemption; (2) will not exceed in principal amount 80 percent of the Net Asset Value of the designated Units as of the preceding Valuation Date; (3) will be evidenced by a promissory note and a pledge of the Certificates evidencing the designated Units; (4) will bear interest at a rate of one-half of one percent per annum in excess of the prime loan rate as in effect from time to time at American Security Bank N.A., Washington, D.C. for short-term bank loans; and (5) will be repayable in full together with all accrued interest on the date of payment in redemption of the designated Units. The Housing Trust is empowered to set off against principal and interest due on an advance any and all amounts payable in redemption of the designated Units. Any balance remaining on the promissory note after such setoff will be payable to the Housing Trust and will bear interest as aforesaid until final payment. It is possible that, in some circumstances, an advance to a Participant might be deemed an advance to an affiliated person of the Housing Trust or to a promoter or principal underwriter of the Housing Trust that is unlawful under Section 17(a)(3) of the Investment Company Act. The Housing Trust has obtained an exemption as required to permit advances in such circumstances. See "EXEMPTIONS FROM SPECIFIC REQUIREMENTS OF THE INVESTMENT COMPANY ACT" in the Statement of Additional Information.

TAX STATUS

The Housing Trust has filed its tax returns as a regulated investment company under Subchapter M of the Internal Revenue Code and intends to operate in a manner which qualifies for treatment as a regulated investment company. If the Housing Trust so qualifies and distributes all of its taxable income to Participants, it will not be subject to federal income tax. Participants will be required to report their proportionate share of such income for income tax purposes, but Participants not subject to tax on their income will not be required to pay tax on amounts distributed to them. The Trust will inform Participants annually of the amounts and nature of such income.

PENDENCY OF LEGAL PROCEEDINGS

The Housing Trust is not involved in any material legal proceedings and is not aware of any legal proceedings against it contemplated by any governmental authorities.

FINANCIAL STATEMENTS

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS HOUSING INVESTMENT TRUST

STATEMENT OF ASSETS AND LIABILITIES September 30, 1985

ASSETS

	<u>1985</u>
Investments, at market value (Notes 1 and 5) (cost \$117,232,610)	\$121,680,569
Cash	615,265
Accrued interest receivable	948,445
Accounts receivable	30,622
Prepaid and deferred expenses	29,114
Deferred organizational expenses (Note 1)	181,435
Other	<u>77,362</u>
Total assets	<u>123,562,812</u>

LIABILITIES

Accounts payable and accrued expenses	125,093
Unamortized commitment fees (Note 4)	111,658
Refundable commitment fees	21,000
Income distribution payable, net of dividends reinvested of \$2,985,004 (Note 1)	<u>2,924,669</u>
Total liabilities	<u>3,182,420</u>
Net assets applicable to participants' equity:	
Certificates of participation; authorized unlimited; outstanding 118,956 units (Note 6)	<u>\$120,380,392</u>
Net asset value per unit of participation	<u>\$ 1,011.97</u>

The accompanying notes are an integral part of these financial statements.

**AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS
HOUSING INVESTMENT TRUST**

SCHEDULE OF INVESTMENTS

September 30, 1985

FHA MORTGAGES (15.3%)

<u>Face Amount</u>	<u>Location</u>	<u>Yield To Maturity</u>	<u>Interest Rate</u>	<u>Cost</u>	<u>Market Value</u>
<u>Multi-family</u>					
\$ 841,315	Delano, CA	12.7%	8.50%	\$ 606,521	\$ 687,026
308,795	Mountain View, CA	12.6%	8.50%	221,355	251,350
1,233,506	Oakland, CA	13.0%	7.75%	814,894	929,583
842,704	San Jose, CA	13.0%	8.50%	594,902	677,901
744,171	Seymour, IN	13.0%	8.50%	524,883	598,638
1,470,093	Fraser, MI	12.5%	7.50%	975,898	1,106,674
1,508,568	Southfield, MI	12.7%	8.50%	1,087,630	1,231,910
1,343,571	Westland, MI	12.5%	6.00%	800,169	907,333
2,224,606	Las Vegas, NV	13.0%	9.00%	1,618,426	1,853,757
5,337,479	Willoughby Hills, OH	12.4%	7.00%	3,355,558	3,818,158
6,164,439	Willowick, OH	12.5%	7.00%	3,922,949	4,448,142
<u>Single family</u>					
<u>2,256,832</u>	163 mortgages	<u>12.7%</u>	<u>8.57%</u>	<u>1,877,928</u>	<u>2,062,929</u>
<u>24,276,079</u>				<u>16,401,113</u>	<u>18,573,401</u>

G.N.M.A. SECURITIES (27.3%)

<u>Face Amount</u>	<u>Location</u>	<u>Interest Rate</u>	<u>Cost</u>	<u>Market Value</u>
<u>Single Family</u>				
1,058,364	Minneapolis, MN	11.25%	991,509	1,037,197
1,042,733	Minneapolis, MN	11.00%	973,157	1,021,878
397,260	Minnesota	13.25%	383,692	425,937
492,394	Minnesota	12.00%	477,055	508,397
2,005,363	Honolulu, HI	11.00%	1,903,753	1,965,256
2,505,490	Honolulu, HI	11.00%	2,456,348	2,461,644
2,428,436	Los Angeles, CA	11.50%	2,278,588	2,442,096
1,000,592	Chicago, IL	12.00%	976,756	1,030,610
1,036,301	Chicago, IL	12.25%	1,012,764	1,067,390
1,895,709	Chicago, IL	12.00%	1,835,163	1,952,581
1,305,580	Chicago, IL	12.00%	1,273,117	1,344,747
841,808	Chicago, IL	12.25%	818,321	867,062
1,404,655	Chicago, IL	12.50%	1,354,100	1,477,082
512,125	Chicago, IL	13.00%	493,141	549,093
739,979	Chicago, IL	13.25%	714,104	793,395
536,430	Chicago, IL	13.50%	515,055	584,373

**AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS
HOUSING INVESTMENT TRUST**

**SCHEDULE OF INVESTMENTS
(Continued)**

September 30, 1985

G.N.M.A. SECURITIES (Continued)

<u>Face Amount</u>	<u>Location</u>	<u>Interest Rate</u>	<u>Cost</u>	<u>Market Value</u>
Single Family (Continued)				
\$ 1,389,960	Chicago, IL	12.00%	\$1,353,255	\$1,431,659
1,157,997	Chicago, IL	11.50%	1,093,163	1,164,511
1,855,542	Chicago, IL	12.00%	1,806,205	1,911,208
706,502	Chicago, IL	12.25%	687,834	729,464
506,779	Chicago, IL	12.00%	493,242	523,250
1,862,984	Chicago, IL	12.00%	1,851,574	1,918,873
1,000,342	Chicago, IL	11.00%	989,237	980,335
1,102,351	Chicago, IL	11.00%	1,090,036	1,080,304
Project Loans				
1,494,887	Cleveland, OH	12.25%	1,468,783	1,528,681
<u>2,327,535</u>	Oriskany, NY	12.50%	<u>2,327,535</u>	<u>2,426,455</u>
<u>32,608,098</u>			<u>31,617,487</u>	<u>33,223,478</u>

CONSTRUCTION LOANS (21.0%)

<u>Face Amount</u>	<u>Location</u>	<u>Commitment</u>	<u>Interest Rate</u>	<u>Cost</u>	<u>Market Value</u>
Construction Loan Certificates					
3,005,000	Glen Cove, NY	3,005,000	13.25%	2,981,278	3,160,870
5,500,000	Seattle, WA	6,274,100	12.55%	5,301,826	5,575,199
2,960,000	Boston, MA	4,033,700	12.75%	2,854,362	3,001,539
FHA Construction Loans					
3,895,074	Detroit, MI	4,103,000	14.75 %	3,895,074	3,895,074
4,080,296	Minneapolis, MN	4,184,455	11.75 %	4,080,296	4,080,296
2,592,741	Chicago, IL	2,699,188	12.375%	2,592,741	2,592,741
1,528,055	Barnegat, NJ	4,681,000	12.50 %	1,528,055	1,546,866
593,465	N. Kingstown, RI	1,310,100	13.50 %	593,465	600,616
573,555	Camden, NJ	4,492,100	12.00 %	573,555	582,099
551,947	St. Clair Shores, MI	3,042,200	11.75 %	551,947	557,154
<u>25,280,133</u>		<u>37,824,843</u>		<u>24,952,599</u>	<u>25,592,454</u>

**AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS
HOUSING INVESTMENT TRUST**

**SCHEDULE OF INVESTMENTS
(Continued)**

September 30, 1985

SHORT-TERM INVESTMENTS (36.4%)

<u>Face Amount</u>	<u>Description</u>	<u>Interest Rate</u>	<u>Cost</u>	<u>Market Value</u>
U.S. Government and Federal Agency Securities				
\$ 1,000,000	U.S. Treasury Note, due 2/28/86 . .	10.875%	\$ 996,891	\$ 1,012,812
1,000,000	U.S. Treasury Note, due 10/31/85 . .	10.50 %	999,345	999,344
1,000,000	Fed. Farm Credit Note, due 10/1/85	9.25 %	1,000,000	1,000,000
1,000,000	U.S. Treasury Note, due 4/30/86 . .	11.75 %	1,008,283	1,022,188
Certificates of Deposit				
1,000,000	Riggs National Bank, due 10/7/85 . .	7.85 %	1,000,000	1,000,000
1,000,000	American Security Bank, due 10/9/85	7.80 %	1,000,000	1,000,000
100,000	American Indian Nat'l. Bank, due 10/10/85	7.10 %	100,000	100,000
1,000,000	American Security Bank, due 10/10/85	7.75 %	1,000,000	1,000,000
1,000,000	National Bank of Wash., due 11/12/85	8.00 %	1,000,000	1,000,000
1,000,000	American Security Bank, due 10/16/85	7.90 %	1,000,000	1,000,000
1,000,000	Riggs National Bank, due 10/16/85 .	8.00 %	1,000,000	1,000,000
1,000,000	National Bank of Wash., due 10/21/85	8.00 %	1,000,000	1,000,000
1,000,000	National Bank of Wash., due 10/23/85	7.85 %	1,000,000	1,000,000
1,000,000	Riggs National Bank, due 10/28/85 .	7.85 %	1,000,000	1,000,000
1,000,000	Morgan Guaranty, due 6/6/86	7.89 %	1,000,000	1,000,000
1,000,000	Morgan Guaranty, due 4/25/86	7.84 %	1,000,000	1,000,000
1,000,000	1st Nat'l. Bank of Minn. due 10/1/86	7.99 %	1,000,000	1,000,000
Commercial Paper				
1,000,000	Budd Financial Corp., due, 10/3/85 .	7.70 %	999,572	999,572
1,000,000	Pitney Bowes, due 10/3/85	7.65 %	999,575	999,575
1,000,000	Shearson American Express, due 10/4/85	7.60 %	999,367	999,367
1,000,000	California Almond, due 10/4/85	7.65 %	999,362	999,362
1,000,000	Borg Warner, due 10/8/85	7.80 %	998,483	998,483
1,000,000	Reckitt Colman, due 10/11/85	7.65 %	997,875	997,875
1,000,000	Texaco, due 10/11/85	7.65 %	997,875	997,875
1,000,000	Chevron Oil, due 10/15/85	7.65 %	997,025	997,025
1,000,000	Ford Motor, due 10/8/85	7.65 %	998,512	998,512
1,000,000	Bath Co. Hydro., due 10/9/85	7.90 %	998,244	998,244
1,000,000	Weyerhauser, due 10/15/85	7.75 %	996,986	996,986
1,000,000	Weyerhauser, due 10/11/85	7.82 %	997,828	997,828

**AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS
HOUSING INVESTMENT TRUST**

**SCHEDULE OF INVESTMENTS
(Continued)**

September 30, 1985

SHORT-TERM INVESTMENTS (Continued)

<u>Face Amount</u>	<u>Description</u>	<u>Interest Rate</u>	<u>Cost</u>	<u>Market Value</u>
<u>Commercial Paper (Continued)</u>				
\$ 1,000,000	Gannett, due 10/15/85	7.80 %	\$ 996,967	\$ 996,967
1,000,000	Borg Warner, due 10/16/85	7.975%	996,677	996,677
1,000,000	Shearson American Express, due 10/17/85	7.90 %	996,489	996,489
1,000,000	Contell Credit Corp., due 10/21/85 .	7.95 %	995,583	995,583
1,000,000	Crowley Maritime, due 10/25/85 . .	7.85 %	994,767	994,767
1,000,000	Kern River, due 10/16/85	7.75 %	996,771	996,771
1,000,000	GMAC, due 10/28/85	7.70 %	994,225	994,225
1,000,000	Merrill Lynch, due 10/24/85	7.75 %	1,000,000	1,000,000
1,000,000	American Greeting Cards, due 10/25/85	7.70 %	994,867	994,867
1,000,000	Merrill Lynch, due 10/18/85	7.75 %	1,000,000	1,000,000
1,000,000	Kroger Foods, due 10/29/85	7.65 %	994,050	994,050
1,000,000	Redland, due 10/17/85	7.75 %	996,556	996,556
1,000,000	Redland, due 10/18/85	7.75 %	996,340	996,340
1,000,000	Kroger Foods, due 10/17/85	7.75 %	996,556	996,556
1,000,000	Corning Ware, due 10/18/85	7.75 %	996,340	996,340
<u>Repurchase Agreements</u>				
<u>1,230,000</u>	American Security Bank, due 10/1/85	<u>7.70 %</u>	<u>1,230,000</u>	<u>1,230,000</u>
<u>44,330,000</u>			<u>44,261,411</u>	<u>44,291,236</u>
<u>\$126,494,310</u>	<u>Total Investments</u>		<u>\$117,232,610</u>	<u>\$121,680,569</u>

The accompanying notes are an integral part of these financial statements.

**AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS
HOUSING INVESTMENT TRUST**
STATEMENT OF OPERATIONS

Years Ended September 30, 1985 and 1984

	<u>1985</u>	<u>1984</u>
Investment Income:		
Income:		
Interest		
Construction loans	\$2,643,582	\$ 456,616
FHA and VA mortgages	1,849,705	
G.N.M.A. securities and mortgages	2,771,228	1,250,850
Short-term investments	4,751,859	1,514,786
Discount amortization and commitment fees (Note 1)	<u>490,039</u>	<u>116,052</u>
Total income	<u>12,506,413</u>	<u>3,338,304</u>
Expenses:		
Administration charge (Note 2)	340,748	72,576
Auditing and accounting fees	28,465	19,860
Amortization of organizational expenses (Note 1)	64,668	57,927
Legal and consultant fees	106,032	129,538
Insurance	27,016	13,708
Mortgage service fees (Note 7)	34,257	
Marketing and sales promotion	39,778	34,597
Office operating	63,604	9,038
General expenses	<u>63,586</u>	<u>40,303</u>
Total expenses	<u>768,154</u>	<u>377,547</u>
Investment income — net	<u>11,738,259</u>	<u>2,960,757</u>
Realized and Unrealized Gain (Loss)		
on Investments:		
Realized loss from investment transactions		
Proceeds from sales	1,546,263	
Cost of investments sold	<u>1,548,985</u>	
Net realized loss	<u>(2,722)</u>	<u>-0-</u>
Unrealized gain (loss) on investments:		
Beginning of period	(814,454)	(16,381)
End of period	<u>4,447,960</u>	<u>(814,454)</u>
Unrealized gain (loss) for period	<u>5,262,414</u>	<u>(798,073)</u>
Net realized and unrealized gain (loss) on investments	<u>5,259,692</u>	<u>(798,073)</u>
Net increase in net assets resulting from operations	<u>\$16,997,951</u>	<u>\$2,162,684</u>

The accompanying notes are an integral part of these financial statements.

**AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS
HOUSING INVESTMENT TRUST**

STATEMENT OF CHANGES IN NET ASSETS

Years Ended September 30, 1985 and 1984

	<u>1985</u>	<u>1984</u>
Operations:		
Investment income — net	\$ 11,738,259	\$ 2,960,757
Net realized and unrealized gain (loss) on investments	<u>5,259,692</u>	<u>(798,073)</u>
Net increase in net assets resulting from operations	16,997,951	2,162,684
Distribution payable to participants from investment income	(11,738,259)	(2,960,757)
Proceeds from the sale of 11,215 and 26,703 units of participation	11,184,892	25,873,890
Payments for redemption of 971 units of participation	(978,378)	
Assets received from AFL-CIO Mortgage Investment Trust in exchange for 61,553 units of participation (Note 8)	<u>59,402,422</u>	
Total increase	15,466,206	84,478,239
Net assets at beginning of period	<u>104,914,186</u>	<u>20,435,947</u>
Net assets at end of period	<u>\$120,380,392</u>	<u>\$104,914,186</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS
HOUSING INVESTMENT TRUST

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The Trust is a common law trust created under the laws of the District of Columbia and is registered under the Investment Company Act of 1940 as a no-load, open-end investment company. The Trust has obtained certain exemptions from the requirements of the Investment Company Act of 1940 which are described in the Trust's prospectus.

The following is a summary of significant accounting policies followed by the Trust in the preparation of its financial statements. The policies are in conformity with generally accepted accounting principles.

(a) Investments are valued at fair values as determined under the following procedures:

Short-term investments which mature less than sixty days from the balance sheet date are valued at amortized cost. Short-term investments which mature more than sixty days from the balance sheet date are valued at the last reported sales price on the last business day of the year or the mean between the reported bid and ask price if there was no sale.

G.N.M.A. securities are valued at the mean between the reported bid and ask price on the last business day of the year for securities of comparable interest rates and maturities. Reported bid and ask prices are interpolated if a price for comparable securities is not quoted.

Mortgages and construction loans FHA insured or VA guaranteed mortgages and construction loans are valued to reflect the current market yield. The current market yield is determined by giving effect to the average of quotes obtained from mortgage bankers, current yields on G.N.M.A. and other U.S. Government securities and by considering the condition of the specific mortgage.

(b) It is the Trust's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income to its shareholders. Therefore, no Federal income tax provision is required.

(c) At the end of each semi-annual calendar period (March 31 and September 30) pro rata distribution is made to the participants of the net income earned during the preceding six month period.

Participants redeeming their certificates are paid their pro rata share of undistributed net income accrued to the quarter-end of redemption.

Effective September 30, 1985, the Trust instituted an income reinvestment plan which allows current participants to automatically reinvest their income in the Trust's units of participation.

**AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS
HOUSING INVESTMENT TRUST**

**NOTES TO FINANCIAL STATEMENTS
(Continued)**

8. Merger with AFL-CIO Mortgage Investment Trust

On September 26, 1984, the AFL-CIO Housing Investment Trust (Housing Trust) and the AFL-CIO Mortgage Investment Trust (Mortgage Trust) entered into an Agreement and Plan of Reorganization (Agreement) providing for the merger of the Mortgage Trust into the Housing Trust. The merger was approved effective as of September 30, 1984 by Order of the United States Securities and Exchange Commission issued October 1, 1984.

Under the terms of the Agreement, the assets of the Mortgage Trust were exchanged for Units of Participation of the Housing Trust based on the relative net asset values of each Trust.

The merger has been accounted for as a purchase on the books of the Housing Trust. Accordingly, the assets received from the Mortgage Trust have been recorded at their September 30, 1984 fair value of \$59,402,422. The Housing Trust issued 61,553 Units of Participation in exchange for the assets of the Mortgage Trust. The number of Housing Trust Units of Participation to be exchanged was determined by dividing the fair value of the assets received (\$59,402,422) by the Housing Trust net asset value per unit of \$965.06.

The assets, at fair value, received from the Mortgage Trust consisted of the following:

FHA and VA single family mortgages	.....	\$ 1,173,021
FHA multi-family mortgages	.....	14,588,783
FHA construction loans	.....	12,463,304
Short-term investments and FHA debentures	.....	<u>30,645,022</u>
Total investments	.....	58,870,130
Cash	.....	6,114
Accrued interest receivable	.....	482,366
Other	.....	<u>43,812</u>
Total assets	.....	<u><u>\$59,402,422</u></u>

**AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS
HOUSING INVESTMENT TRUST**

SUPPLEMENTAL INFORMATION

**Two Years Ended September 30, 1985 and 1984 and the
Period May 20, 1983 (Commencement of Operations)
Through September 30, 1983**

Selected data for each unit outstanding throughout the period:

	<u>1985</u>	<u>1984</u>	<u>1983</u>
Investment income	\$ 111.76	\$117.82	\$ 36.92
Expenses	<u>6.86</u>	<u>13.92</u>	<u>6.23</u>
Net investment income	104.90	103.90	30.69
Income distributed (1)	(104.90)	(103.90)	(30.69)
Net unrealized gain (loss) on investments ..	<u>46.91</u>	<u>(33.96)</u>	<u>(.98)</u>
Net increase (decrease) in net asset value ..	46.91	(33.96)	(.98)
Net asset value:			
Beginning of period	<u>965.06</u>	<u>999.02</u>	<u>1,000.00</u>
End of period	<u>\$1,011.97</u>	<u>\$965.06</u>	<u>\$ 999.02</u>
Ratio of expenses to average net assets (2) ..	<u>.7%</u>	<u>1.4%</u>	<u>1.6%(3)</u>
Ratio of net investment income to average net assets (2)	<u>10.5%</u>	<u>10.8%</u>	<u>8.4%(3)</u>
Number of units outstanding at end of period	<u>118,956</u>	<u>108,712</u>	<u>20,456</u>

(1) Includes income distributed for the semi-annual periods ending March 31 and September 30 of each year.

(2) Average net assets were computed based on the net asset value at the end of each quarter. Investments are only valued quarterly.

(3) Percents are annualized.

Report of Independent Certified Public Accountants

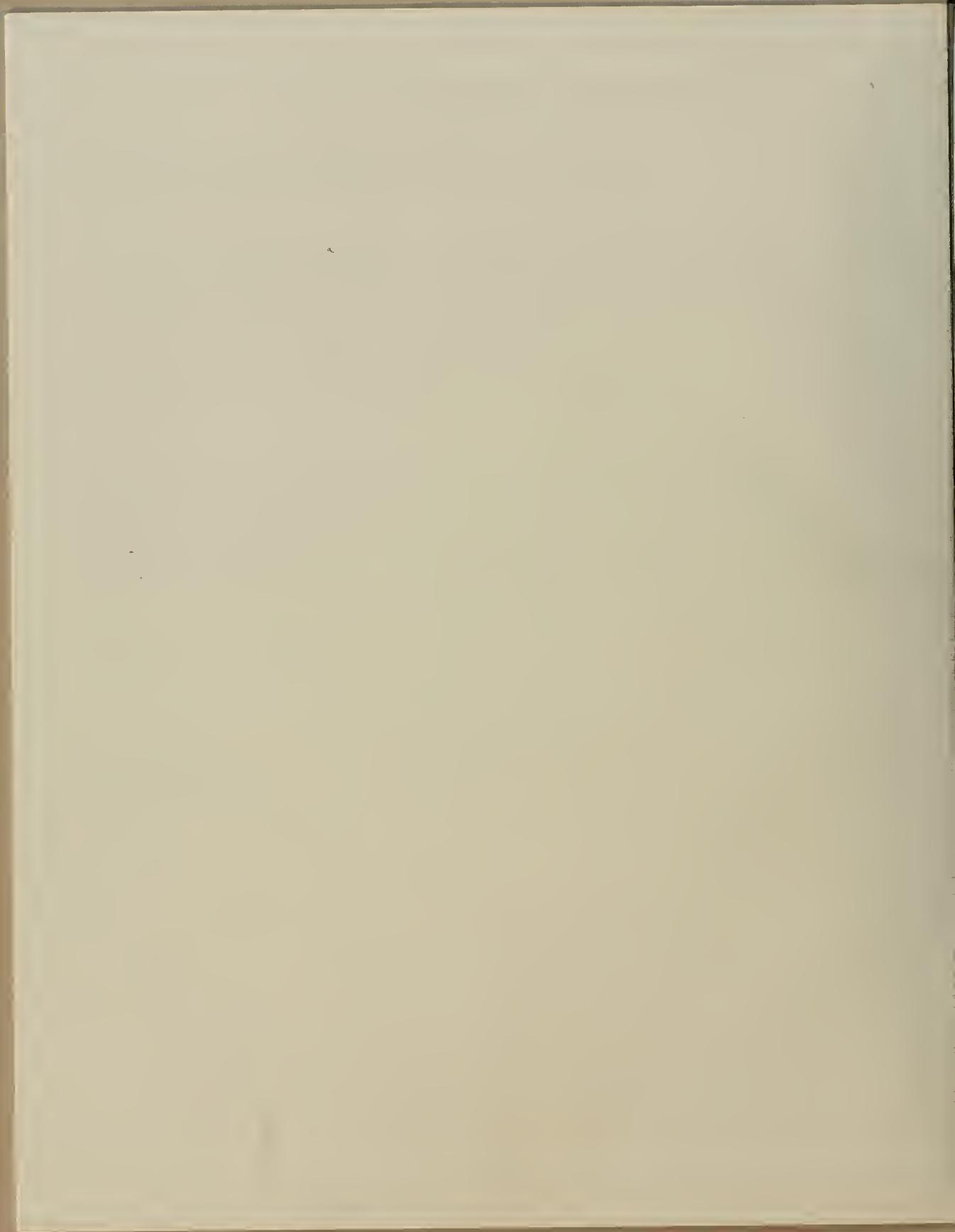
**To the Trustees and Shareholders of American Federation of
Labor and Congress of Industrial Organizations Housing
Investment Trust**

We have examined the statement of assets and liabilities, including the schedule of investments, of the American Federation of Labor and Congress of Industrial Organizations Housing Investment Trust as of September 30, 1985 and the related statements of operations and changes in net assets for the two years then ended, and the supplemental information for two years and four months then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Investments owned at September 30, 1985 were examined or confirmed by correspondence with the holder.

In our opinion, such financial statements present fairly the net assets of American Federation of Labor and Congress of Industrial Organizations Housing Investment Trust at September 30, 1985 and the results of its operations and changes in its net assets for the years ended September 30, 1985 and 1984, in conformity with generally accepted accounting principles applied on a consistent basis. Also, in our opinion, the supplemental information for the two years and four months ended September 30, 1985 is fairly stated in all material respects in relation to the financial statements taken as a whole.

KMG MAIN HURDMAN

Washington, D.C.
October 24, 1985



How The Trust Functions

Facts About The Trust

The Housing Investment Trust operates in conformity with the provisions of the Investment Company Act of 1940. Only qualified labor organizations and pension funds are eligible to invest in the Trust.

Units representing interests in the Trust are offered for sale, and may be redeemed, at a pro rata share of the net asset value of the Trust's assets on the date of valuation. The valuation of units is determined on the last day of each calendar quarter.

The Trust invests only in projects which will be built by union labor. At the end of the 1985 fiscal year, all of the Trust's portfolio of loans were federally insured or guaranteed. The Trust may invest in securities, guaranteed by 'FANNIE MAE' or 'FRED-DIE MAC.'

Notice of intention to purchase units may be given to the Trust at any time. New participations in the Trust, however, are made on the last day of each calendar quarter: March 31, June 30, September 30, December 31. Distribution of net income to participants is made semi-annually, as of March 31 and September 30 of each year. Participants may choose to have dividends automatically reinvested.

Although the Trust is designed for long-term investment, units may be withdrawn at the end of each calendar quarter with at least 15 days prior notice. The Trust takes into account specific recommendations from participants concerning investment decisions.



- Dollars placed in the Trust by labor organizations and pension funds are used to finance construction of new homes and health care facilities by responsible contractors or builders employing union members working under union conditions.
- The Trust's investments are limited to construction loans, long-term mortgages, and mortgage backed securities. At least 90 percent of the investments by the Trust or the securities backing the investments are insured or guaranteed by the federal government.
- The Trust, through its investments in construction projects manned by union members, helps to generate new contributions to union pension and welfare funds.

HOUSING INVESTMENT TRUST

A most attractive investment opportunity to finance homes and health care facilities.

A labor-management trust
created by the AFL-CIO
for unions and pension funds.

Sponsored by the AFL-CIO

Lane Kirkland
President

Thomas R. Donahue
Secretary-Treasurer

Independent Auditors

Washington, D.C. 20036
(202) 466-3010

A Tested Program Offering Investment Security

The Housing Investment Trust welcomes and actively seeks investments from unions and pension plans having union members as beneficiaries. The Trust offers competitive, high yield investments.

The Trust is sponsored by the AFL-CIO and is designed to facilitate investments by labor organizations and pension funds in construction projects secured by mortgages or liens on real estate.

The Housing Investment Trust is a highly-regulated investment company operating under the rules of the Securities and Exchange Commission.

The Trust's total assets are over \$140,000,000 and rising. The Board of Trustees is committed to significantly increasing the assets of the Trust in the period ahead.

The Trust's portfolio is primarily invested in construction loans and mortgages on single-family homes, multi-family housing, nursing and retirement homes, and other types of health care facilities. The federally insured or guaranteed

mortgages or GNMA guaranteed mortgage-backed securities held by the Trust provide investors with a high degree of security. In terms of yield, safety and liquidity, the Trust offers eligible participants an attractive investment option when compared to other investment possibilities.

The Trust makes it possible for pension fund trustees to exercise fiduciary responsibility through safe, diversified investments in housing and health care projects that benefit the communities where working people live—projects that utilize the services of union employers and union members.

Labor organizations and pension funds at the national and local levels are taking advantage of these benefits and opportunities. A broad cross-section of unions representing workers in the industrial, service, building and construction, and public sectors support and invest in the Trust.

A Successful Example of Cooperation

The Housing Investment Trust is a successful example of creative labor-management cooperation providing secure, constructive investment opportunities for labor organizations and pension funds.

The President and Secretary-Treasurer of the AFL-CIO, the President of the Building and Construction Trades Department, and the presidents of five international unions represent the labor movement on the Board of Trustees.

The Board also includes equal representation from the business community, including several major home builders and real estate developers with broad experience in the fields of housing and finance.

Professional managers with a background in both labor and finance are directly responsible for the day-to-day management of the Trust.

The Trust does not pay sales commissions to brokers or to members of its staff, and the AFL-CIO derives no profit whatsoever from its sponsorship and active participation in the Trust.





The Commonwealth of Massachusetts
Executive Office of Economic Affairs
One Ashburton Place -- Room 2101
Boston, Ma. 02108

MICHAEL S. DUKAKIS
GOVERNOR
JOSEPH D. ALVIANI
SECRETARY

TELEPHONE:
(617) 727-8380

MEMORANDUM

TO: Innovation Advisory Committee members
FROM: Secretary Joseph D. Alviator
RE: Upcoming Meetings
DATE: May 12, 1986

Refer to
Commercial
gr. sel

This will confirm the time and place of the upcoming Innovation Advisory Group subcommittee meetings, and confirm the meeting of the full committee. Please recheck your calendars, as we have had to make some minor changes in the schedules.

SUBCOMMITTEE MEETINGS

Business Enhancement
Thursday, May 15
4:00-8:00 p.m.

Goodmeasure, Inc.
330 Broadway
Cambridge, MA

Human Resources
Wednesday, May 21
2:00-5:00 p.m.

Bay State Skills Corporation
101 Summer Street, 2nd Floor
Boston, MA

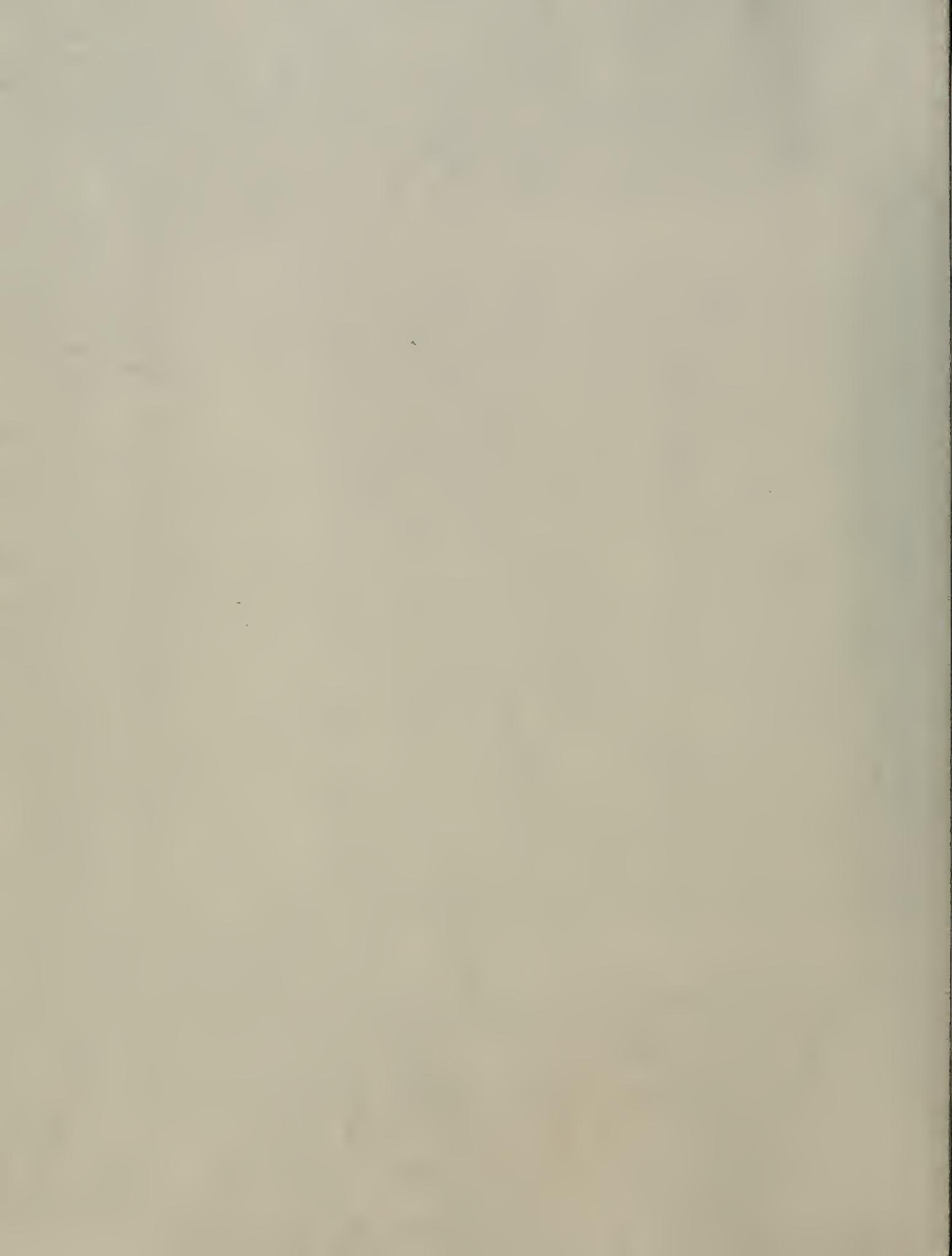
Technology Transfer
Friday, May 23
8:30-10:30 a.m.

Department of Education
1385 Hancock Street
Quincy, MA

The purpose of these last subcommittee meetings will be to focus on and identify specific recommendations to report to the full committee. They will also recommend topics and speakers for the forums to be held during the summer. The full committee will have the opportunity to react to these suggestions, and to make any modifications it wishes.

The full committee is scheduled to meet on Friday, June 6, 8:30-10:30 a.m. at the Marriott Long Wharf Hotel, Boston.

I look forward to seeing you there.





UNITED PAPERWORKERS INTERNATIONAL UNION

POLITICAL EDUCATION PROGRAM

WAYNE E. GLENN
President

GEORGE H. O'BEA, JR.
Vice President - PEP Director

JOHN M. DEFEY
Secretary-Treasurer

April 22, 1986

*Refer to
Communication
M. Ebd*

Dear Sister or Brother:

The United Paperworkers International Union is holding a Legislative-Political Conference June 23 through June 25, 1986 at the Sheraton Washington Hotel.

We are also holding a Congressional reception, and we have invited the United States Senate and the United States House of Representatives to be our guests on Tuesday, June 24 from 6:00 P.M. to 8:00 P.M. in Rooms B-338 - 340 of the Rayburn House Office Building.

We would like to take this opportunity to invite you to attend both of these occasions.

In order that we may have an attendance check for the Congressional reception, would you please call my office, (202) 783-5238 or 783-5239 and advise us whether you will be in attendance.

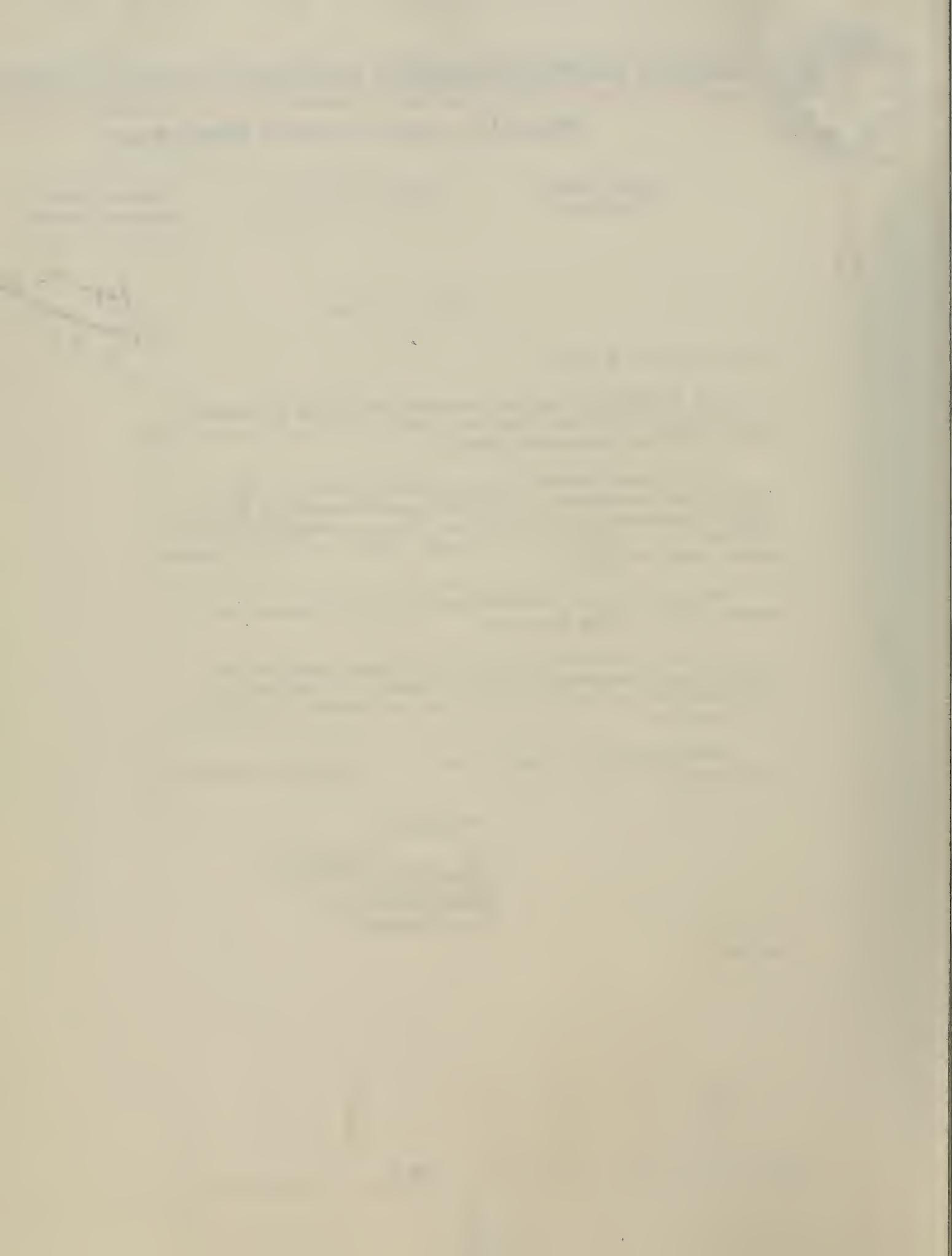
Looking forward to seeing you at our Legislative Conference and reception, I am

Fraternally,

George O'Bea
George O'Bea, Jr.
Vice President

GO:jrm







NEW ENGLAND Israel Histadrut Committee

An Affiliate of the National Committee for Labor Israel — Israel Histadrut Campaign, Inc.

25 HUNTINGTON AVENUE

ROOM 607

BOSTON, MA 02116

267-3572

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Israel Histadrut Foundation MICHAEL LIPOF, Chairman

Labor Zionist Alliance District 10 ALBERT A. COHEN, Co-Chairman JACOB RABINOVITZ, Co-Chairman

Pioneer Women MARTHA COHEN

Regional Co-Chairmen SAMUEL GURWITZ, Worcester NICHOLAS ROUSSOS, Fall River

Director LOUIS KANEKSON

Founder *ALEXANDER SHAPIRO

*Deceased

May 12, 1986

Refer to
Communicator
M.E.L

Dear Executive Board Member:

There will be an important meeting of the New England Histadrut Executive Board on Wednesday, May 21, 1986, at 8:15 A.M., at the Bay Club, 60 State Street, Boston.

A full breakfast will be served. Important on the agenda will be a report on our "Night at Pops", scheduled for June 8, 1986 and future plans.

We urge you to make every effort to attend.

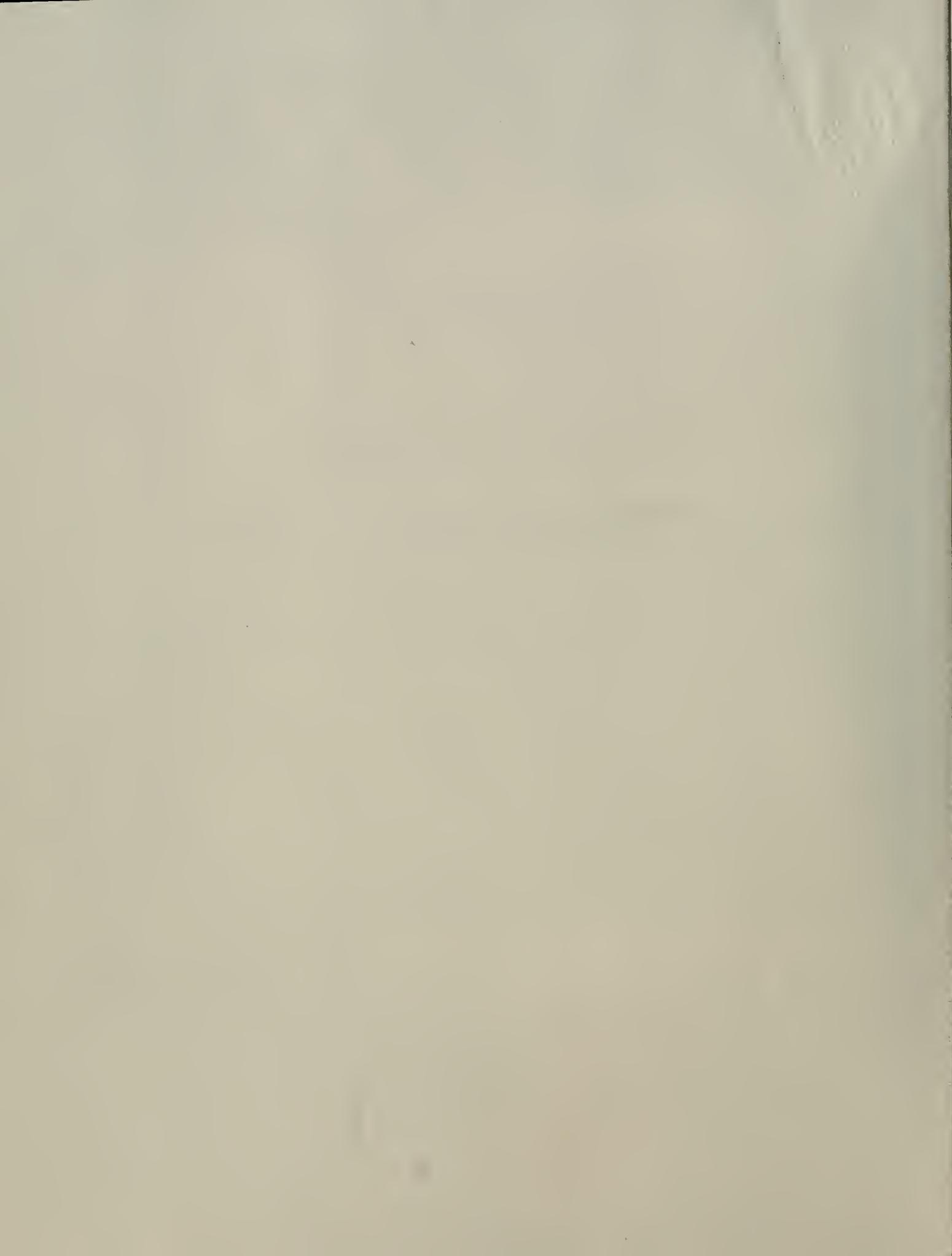
Kindly return the enclosed post card letting us know that you will be with us on May 21st.

Cordially,

Stephen M. Richmond

STEPHEN M. RICHMOND
President

SMR:GR
ENCL.



32



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ISRAEL HISTADRUT COMMITTEE

Room 607

25 Huntington Avenue

Boston, Mass. 02116

NEW ENGLAND ISRAEL HISTADRUT COMMITTEE
EXECUTIVE BOARD MEETING

Dear Mr. Richmmnd:

Please make my reservation for the breakfast meeting
on Wednesday, May 21, 1986, at 8:15 a.m. in the
Fairfield Suite, Bay Club, 60 State Street, Boston.

NAME _____

ADDRESS _____

TEL. NO. _____ ZIP _____



*Refer to
Communication*

M. E. C

TO: Strategic Planning Committee
FROM: John Larkin Thompson, Chairman
DATE: May 15, 1986
RE: June 11th Strategic Planning Committee Meeting

This will confirm that the second meeting of the Strategic Planning Committee will be held on:

WEDNESDAY, JUNE 11TH
8:00 A.M. - 10:00 A.M.
11TH FLOOR - UNITED WAY

This important meeting will focus on developing a strategic vision of the United Way's future.

Materials for this meeting will be mailed in advance of the meeting.

I look forward to seeing you on the 11th.

NT.1.50

NORTH SHORE LABOR COUNCIL - AFL-CIO

679 Western Ave.
Lynn, Ma. 01905



Serving:

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BOXFORD	NORTH READING
DANVERS	PEABODY
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IPSWICH	SAUGUS
LYNN	SWAMPSCOTT
LYNNFIELD	TOPSFIELD
MANCHESTER	WAKEFIELD
MARBLEHEAD	WENHAM
MIDDLETON	

MEETING ANNOUNCEMENT

DATE: 4th Wed. of month 28 MAY . 1986

TIME: 7:30 P.M.

PLACE: 679 Western Av. Lynn Teachers Union

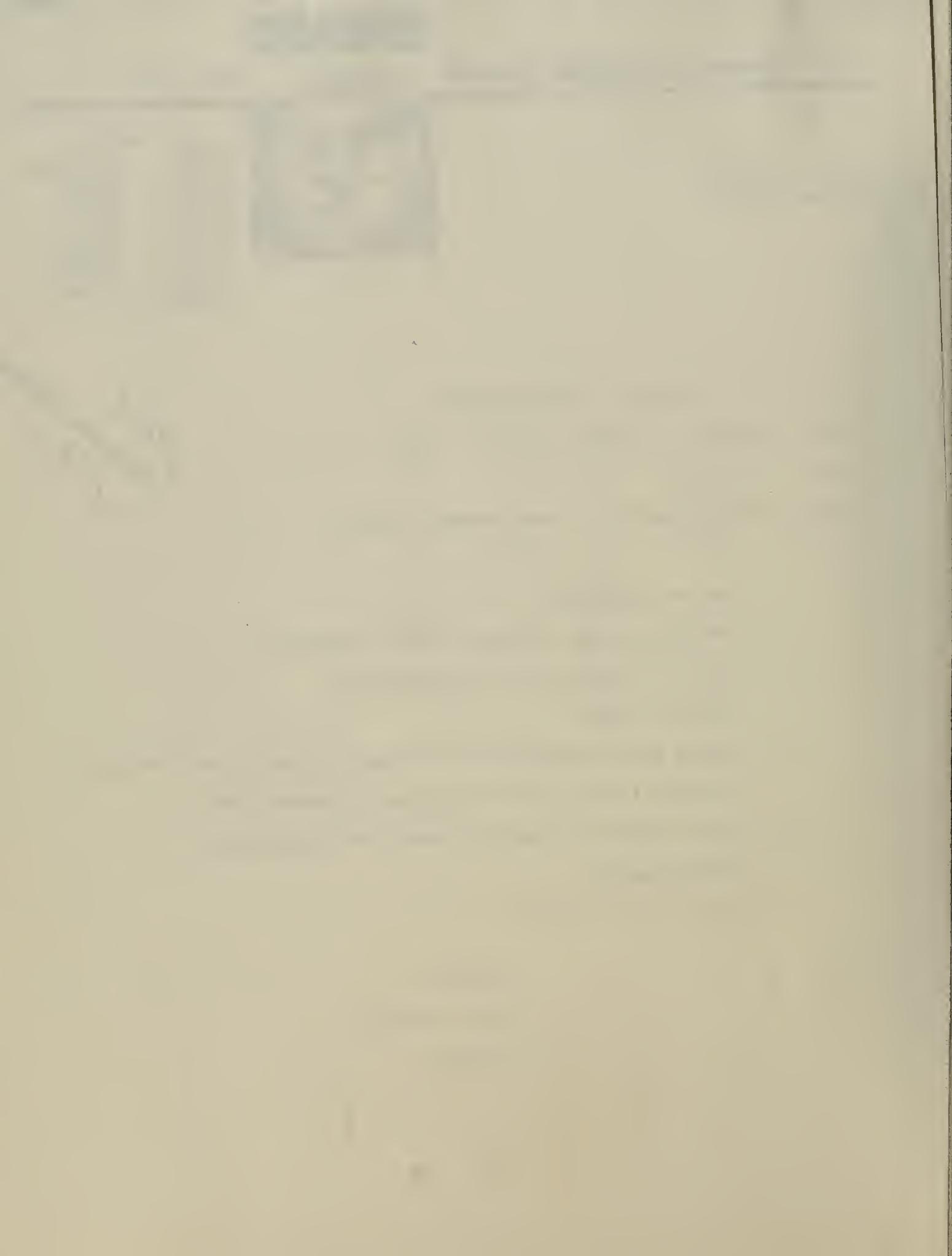
*file
Communication
J.L.C.*

1. Regular Business
2. Swearing in new officers and/or delegates
3. Send \$ 25 donation for Scholarships
Awards in June
4. Notify your Treasurer of increase in dues from five cents
to seven (.07) cents effective in January 1986
5. Please send your updated names and addresses of
your delegates
6. Union Label Drawing

Sincerely,

Mary K. Condon

Secretary



GREATER BOSTON LABOR COUNCIL, AFL-CIO

JAMES L. FARMER
PRESIDENT

LUCY J. FESTA
VICE-PRESIDENT

JOSEPH W. JOYCE
EXECUTIVE SECRETARY-TREASURER

JOHN BERCURY
EDWARD BURKE
PETER CAMERETO
WILLIAM CONNOLY
JAMES CONLEY
PHILIP FASNO

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DOROTHY McLAUGHLIN
RALPH NORMAN
RICHARD O'NEILL
JOHN PHINNEY

CARL PROPER
ANTHONY ROMANO
HOWIE ROTMAN
GENE SILVERIO
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BERNARD CORBETT

Auditors
JOHN F. O'NEILL

DENNIS WALSH

44 BROMFIELD STREET
BOSTON, MASS. 02108
Telephone 482-6483

VALENTINE P. MURPHY
President Emeritus
LAWRENCE C. SULLIVAN
Secretary-Treasurer Emeritus

May 20, 1986

Management of Boston Garden
Causeway Street
Boston, MA

*Refer to
Communication
M. E. C.*

Regarding: BASF Banner

Dear Sirs:

I am writing to inform you that the Greater Boston Labor Council AFL-CIO, strongly objects that BASF is allowed to hang a banner from the official's scoring table.

The fact that BASF Wyandotte, which is located in Geismar, Louisiana. Has locked out 370 Oil, Chemical and Atomic Workers AFL-CIO who are member of Baton Rouge Central Labor Council. The fact that this local has been locked out for 2 years, is a flagrant violation in the opinion of the National AFL-CIO, to the extent that a boycott has been endorsed.

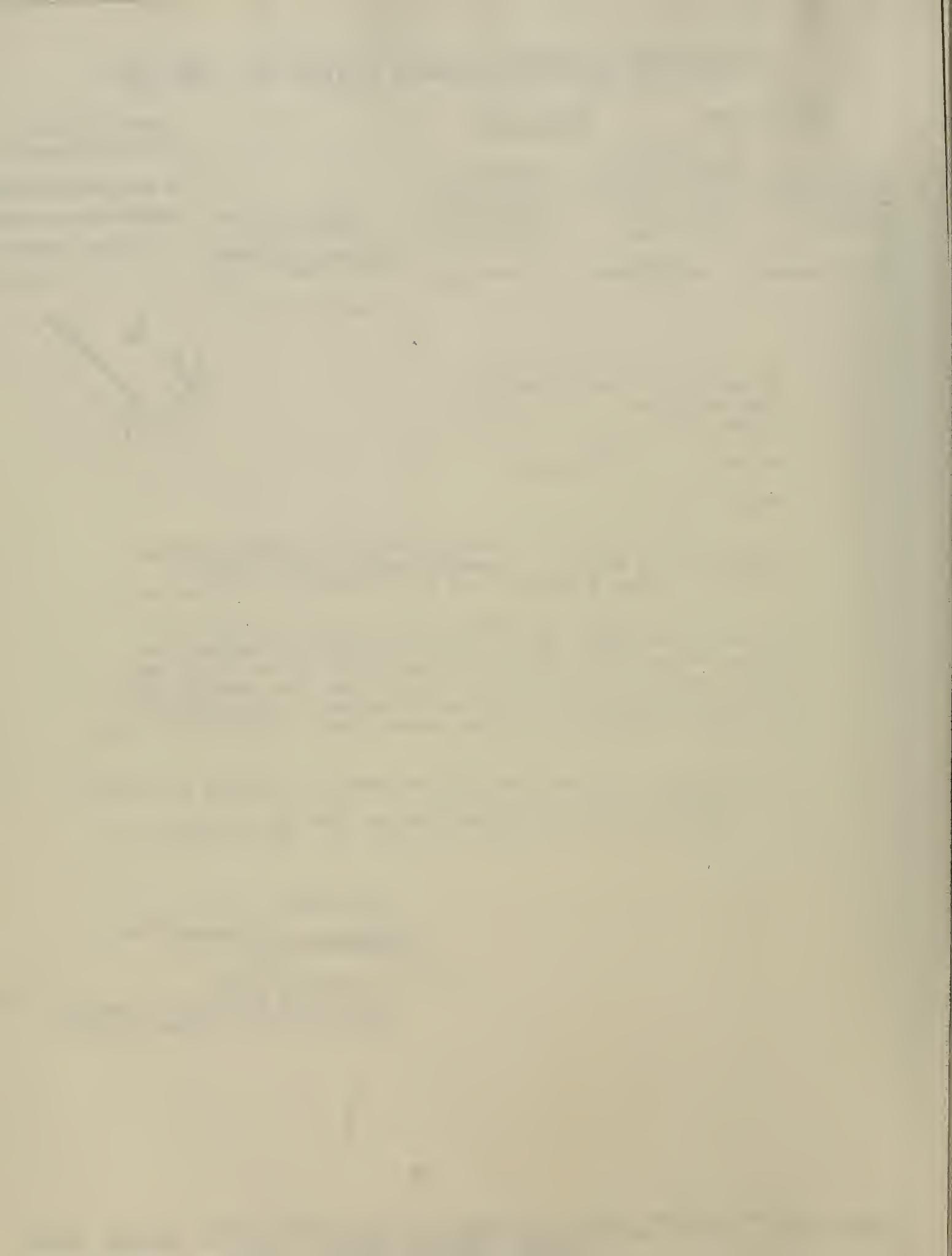
If you could get that banner removed it would be greatly appreciated.

LETS GET THIS ANTI-UNION COMPANY OFF THE NATIONAL TV.

Sincerely,

Joseph W. Joyce

Joseph W. Joyce
Executive Secretary-Treasurer
Greater Boston Labor Council



5/27/86



Committee on Political Education

LANE KIRKLAND, Chairman

THOMAS R. DONAHUE, Secretary-Treasurer

JOHN PERKINS, Director

815 16TH STREET, N.W. ★ WASHINGTON, D.C. 20006 ★ (202) 637-5101

May 21, 1986

Mr. Arthur Osborn, President
Massachusetts AFL-CIO
8 Beacon Street, 3rd Floor
Boston, Massachusetts 02108

Dear Art:

National COPE has developed a new training program on political action. You will be receiving a set of five video cassette programs. The programs consist of five components:

1. Recruiting volunteers.
2. Registering union members and their families.
3. Setting up a union phone bank.
4. Training phone bank operators.
5. Getting out the vote.

The program has been designed to provide you with a compact training package that will allow you to train union members on how to implement a standardized and professional labor political campaign.

We also are sending you a portable video cassette player so that you can easily show the training cassettes. This player is assigned to your state central body permanently. You may have already received the player. Please send us the serial number of the player (it's located by the electrical cord attachment).

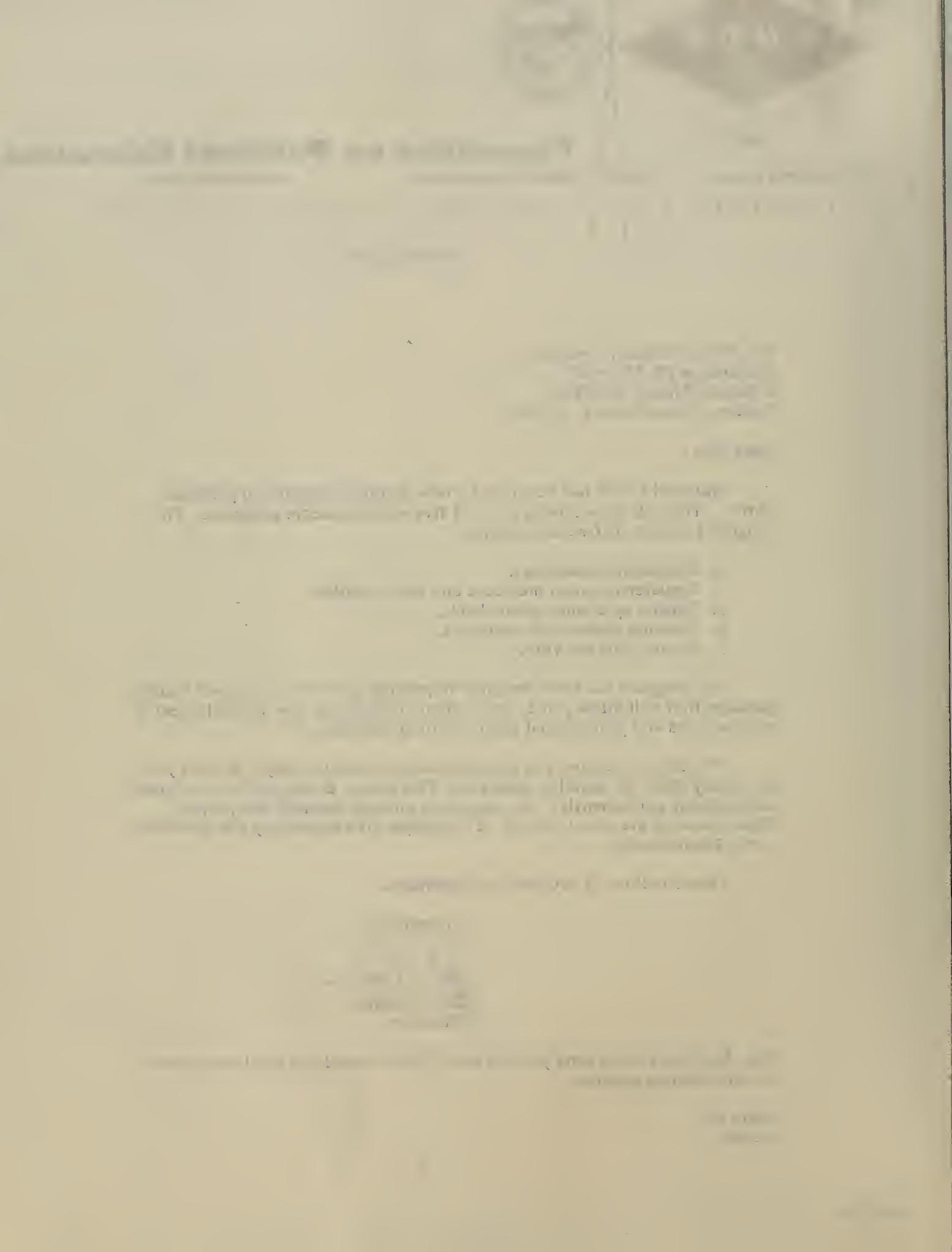
Please call me if you have any questions.

Fraternally,

A handwritten signature in black ink that reads "John Perkins".
John Perkins
Director

P.S. Shortly, we will send you the new COPE manual and the lesson plans for the training sessions.

opeiu #2
afl-cio





5/27/86
C
The Commonwealth of Massachusetts
House of Representatives

Committee on Post Audit and Oversight
STATE HOUSE, BOSTON, MA 02133

REP. MARJORIE A. CLAPPROOD
8TH NORFOLK DISTRICT
431 MASSAPOAG AVENUE
SHARON, MA. 02067
TEL. HOME: 784-8920

Committees on
Post Audit and Oversight
Insurance
Health Care

STATE HOUSE OFFICE
ROOM 146
BOSTON, MA. 02133
TEL.: 722-2560

May 21, 1986

Arthur R. Osborn
President
Massachusetts AFL/CIO
8 Beacon Street
Boston, Massachusetts 02108

Dear Arthur:

Thank you for your recent letter in support of H. 1877, the so-called UNISEX bill.

As a co-sponsor of this legislation for the last two years. I certainly intend to do all I can to ensure its passage in the House.

As you may know, the Insurance Committee placed H. 1877 into a study which is now in the House Ways and Means Committee. It is the intent of those of us who support this bill to separate H. 1877 from the study package and bring it out to the floor of the House for debate and a vote.

Thank you for your interest and support of this legislation.

Please feel free to contact me if I can be of further assistance.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Marjorie A. Clapproad".
MARJORIE A. CLAPPROOD
State Representative
Sharon and Stoughton

MAC:ee



5/27/86

C

Deborah R. Cochran

902 High Street
Dedham, MA 02026
326-0122

Monday Morning

Dear Friend,

There hasn't been a Republican elected to a statewide office in Massachusetts since 1972... and there never has been a woman elected to a Massachusetts statewide office.

Why is this, you ask?

Answer: Money... no Republican has been able to raise enough money to equal the spending of their Democrat opponent.

So why am I, a Republican woman, running for the statewide office of Massachusetts Secretary of State?

Answer: I can win... with your help.

Why can I win, you ask?

Answers: 1) Money... I believe I can raise enough of it. I'll tell you why I can later in this letter.
2) The public is ready to elect a woman.
3) I have the necessary qualifications and experience.
4) My opponent is out of step with the voters.

Yes, I can win, and that's why I am writing to ask you to donate some money to my campaign for Secretary of State of Massachusetts.

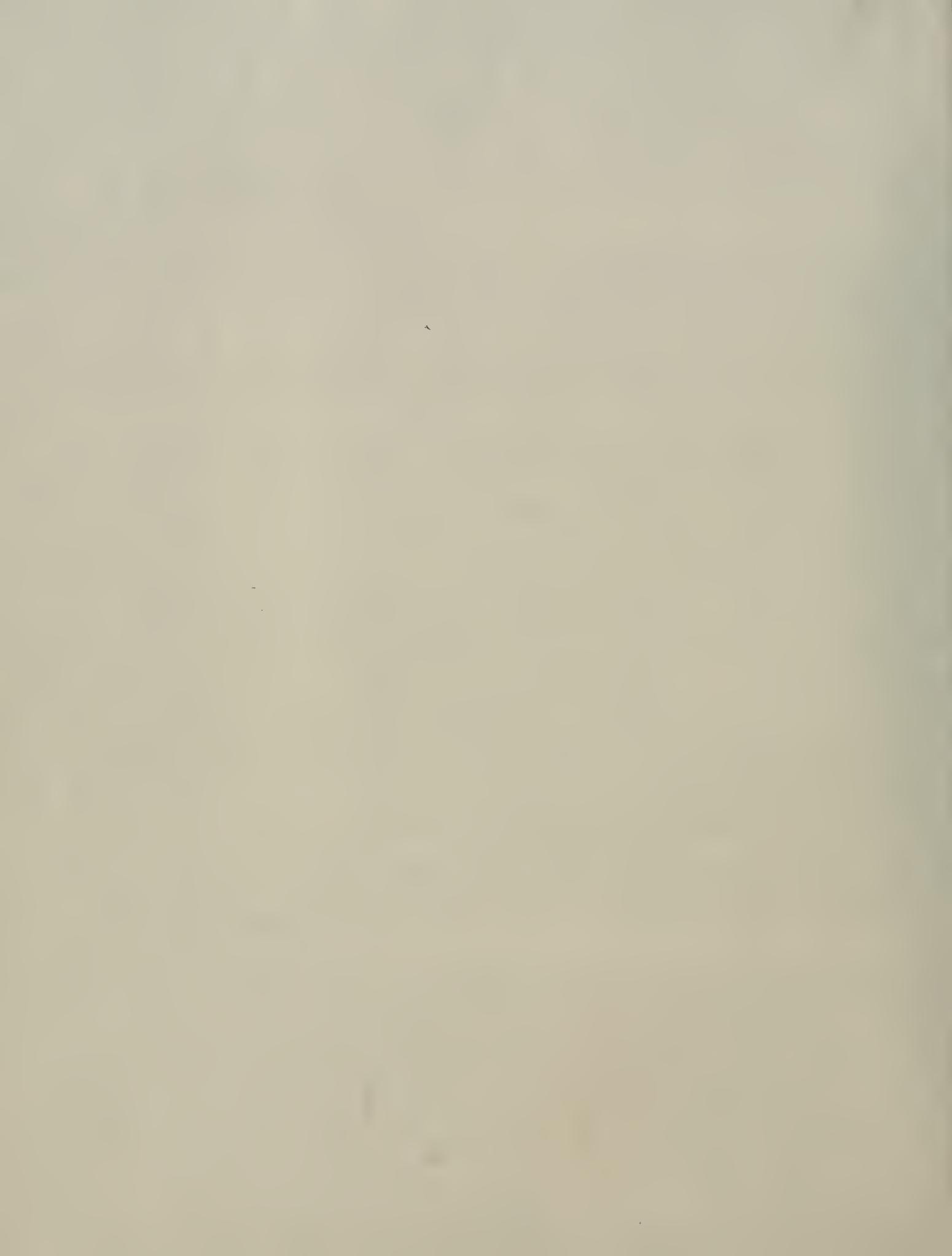
Please help me; I will represent you. The Democrat holding this office does not represent you and here's why....

First of all, he is just another big spender... a member of "The Beacon Hill Crowd". Since he was elected in 1978 he has increased his budget from \$5.4 million to \$13.4 million, and this year he sought over \$15 million!

Second, he has squandered our taxes on a new State Archives Building. To quote the Associated Press:

"At a cost of \$19 million the taxpayers of Massachusetts (that's you and me) have erected a building at the edge of Boston Harbor that will serve as the State's attic."

But what is more, he wants to roll back the 1981 Reagan tax cut, and he wants to stop the indexing of tax rates, which allows you and me to earn more during inflationary times and not be pushed into higher tax brackets.



In addition, he opposes a Constitutional amendment to annually balance the Federal Budget.

This big-spending member of "The Beacon Hill Crowd" calls himself a "working class Democrat". Maybe that's why he wants people like you and me to pay even higher taxes for welfare abuse. He does not believe we should require able-bodied welfare recipients to work. I don't think that's fair to the hardworking taxpayer like you and me, and I'm tired of paying the bill, aren't you?

The fact is, he isn't a "working class Democrat". He couldn't be. He has held elective office for 13 years and never has held a job he had to go to every day, either before or since being first elected at the young age of 25. He doesn't know what it means to work 9 to 5 every day. Maybe that's why he is such a big-spending Liberal.

Now if you still are not convinced that this man does not represent you, let me tell you this: He supports "gay" rights. He supports the use of quotas to achieve affirmative action. He wants to ban you and me from owning handguns, and he opposes capital punishment.

This Liberal opposes a constitutional amendment to prohibit busing to achieve school desegregation.

I want you to know that I'm in complete disagreement with all of the above positions of my Liberal Democrat opponent.

I hope you are now convinced and that you will support me with your vote and will send me your check to help me win.

If you're not convinced, then tell me, what is the name of my opponent?

If you know who he is, then you are really a political activist; a recent poll shows only 39% of the voters know his name is Michael J. Connolly! Most don't know if he is liberal or conservative. They don't know that he is just another big-spending liberal member of "The Beacon Hill Crowd".

In fact, Chris Black, a Boston Globe staff reporter, wrote on April 29, 1984 that:

"His critics and those who disparage him as inconsequential credit his first election to statewide office in 1978 to the sheer luck of carrying an Irish Catholic name, holding a Boston address, and drawing first place on the ballot. Connolly admits his own sometimes bizarre behavior has contributed to his reputation as a bit of a buffoon."

If I can raise enough money to expose his record to the public I will win.

I know what it means to bring up a family (I have 4 children, ages 15 to 25), I know what it means to work for a living, and in the past 3 years I have worked my way up to Vice President of a major corporation of 5,000+ employees. The company, Papa Gino's of America, has only 4 Vice Presidents.

One of the main jobs of the Secretary of State is to oversee elections, election finance laws, and corporate regulations.

I was therefore shocked when in 1984 Connolly was investigated by the State Ethics Commission for giving preferential treatment to firms whose officers had given him campaign contributions, and for using 3 of his state employees during state time (that's at your expense and mine) to run his losing bid in 1984 for the U.S. Senate.

Though he was in time cleared by the Ethics Commission, he never released to the press and public the written report of the Ethics Commission, and said he would keep the \$30,000.00 he had received from these firms but would not accept any more from them! You be the judge.

During my 4 years as a State Representative I served on the Election Laws Committee. I am thus very knowledgeable and qualified to assume the very important role of assuring fraudfree elections and adherence to the campaign finance laws.

My experience as Vice President of Papa Gino's of America gives me a good understanding of the need to evenly and fairly deal with business.

By the way, earlier in this letter I said I would tell you why I can raise enough money to win. Simply put, I have the experience. I have been raising money for other candidates and my own campaigns for 10 years, and many of the people who encouraged me to run have offered to help me raise sufficient funds.

Michael Connolly and I have a few things in common. We are both pro-life, and we both had good parents who gave us an education and a running start on life.

But there the similarity ends. I know what it takes to show up for work every day from 8:30 to 5 and to stay until my job is done. I have been lucky enough to have been able to pursue the American Dream....to buy a home, and to bring up a family.

I can win this election if I can bring my message to enough of the productive, hard-working taxpayers like you and me. Will you help me do this?

I ask you to send me your most generous contribution, be it \$50.00 or \$1,000.00, or something in between. I will use your donation to send out literature and to buy radio and T.V. ads.

To be successful, my campaign plan requires that I do more advertising, and I still need another \$15,000.00 within the next 2 weeks to pay for this necessary advertising.

So please help me raise the \$15,000.00 I need now. I know I can win with your help. My victory will be your victory.

Sincerely,



Deborah R. Cochran
Candidate for Secretary of State

P.S. I hope I have convinced you that I can win with adequate funds to expose my opponent's record and promote my qualifications. Please send me your most generous donation, be it \$50.00, \$250.00 or \$1,000.00. It will be used to buy advertising that is needed within the next 2 weeks.

Dee,

I want to help you become my Secretary of State.

Name _____ Tel. # _____

Address _____ Zip _____

I will vote for DEBORAH R. COCHRAN for Secretary of State.

You may use my name as an endorser.

Send me your bumper sticker.

I will distribute literature.

I will help on election day.

Here is my personal check made payable to "The Cochran Committee". \$25.00 \$50.00 \$100.00

\$250.00 \$500.00 \$1,000.00 Other _____

I will give a fundraiser for you in my home.

Corporate Contributions Are Prohibited By Law

Paid for by The Cochran Committee 902 High Street Dedham, MA 02026 326-0122, 326-5828



DEBORAH COCHRAN

SECRETARY OF STATE

Qualified to Serve You

PAID FOR BY THE COCHRAN COMMITTEE 902 HIGH ST., DEDHAM, MA 02026, 326-0122, 326-5828

DEBORAH COCHRAN

is Qualified to Serve You

AS SECRETARY OF STATE REPUBLICAN

EDUCATION

New York University, BA History 1962
Smith College Graduate Study 1964 - 1965

FAMILY

Married, Mother of 4 children,
ages 15 to 25.

EXPERIENCE

- ★ Vice President — Papa Gino's of America Inc., 1983 - 1986
- ★ Chairman — Editorial Board WEEI NewsRadio '590
- ★ Republican Candidate for U.S. Congress 1982
- ★ Child Abuse Investigative Coordinator for the Norfolk County District Attorney's Office, 1977 - 1978

- ★ State Representative — 2 Terms, 1979 - 1982
 - Committee on Human Services & Elderly Affairs
 - Committee on Election Laws
 - House Ethics Committee (Elected)
 - Massachusetts Commission on the Elderly

GREATER BOSTON LABOR COUNCIL, AFL-CIO

JAMES L. FARMER
PRESIDENT

LUCY J. FESTA
VICE-PRESIDENT

JOSEPH W. JOYCE
EXECUTIVE SECRETARY-TREASURER

JOHN BERCURY
EDWARD BURKE
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VALENTINE P. MURPHY
President Emeritus

LAWRENCE C. SULLIVAN
Secretary-Treasurer Emeritus

44 BROMFIELD STREET
BOSTON, MASS. 02108
Telephone 482-6483

BERNARD CORBETT

Auditors
JOHN F. O'NEILL

DENNIS WALSH

74

May 13, 1986

John Bacon, President
Boston Gas Company
One Beacon Street
Boston, MA 02108

Dear Mr. Bacon:

I'm writing to you because I'm deeply concerned about the possibility of a labor problem between the Boston Gas Company and the Painters Union of the Greater Boston Labor Council AFL-CIO.

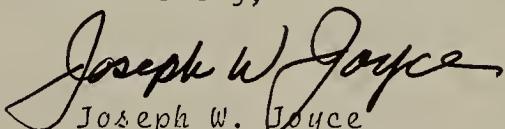
I understand that the Boston Gas Company is awarding a sizeable sand blasting and painting job to a non-union out of state contractor.

If this is fact I hope that it will be reconsidered, in order to maintain the fine relationship that Boston Gas and Labor have enjoyed to now.

To award this work to an out of state contractor is inconsistent with supporting Building Trades employee's who are in fact in most cases also consumers of yours.

I hope that you will reassess the decision and keep that employment and work here.

Sincerely,



Joseph W. Joyce
Executive Secretary-Treasurer

cc: Arthur Osborn
John Simmons
Charles Spillane
Thomas Evers
Paul Hannon



הסתדרות הכללית של העובדים בארץ ישראל
NATIONAL COMMITTEE FOR LABOR ISRAEL-HISTADRUT
33 East 67th Street New York, N.Y. 10021
(212) 628-1000 Telex: 4991969

May 7, 1986

Mr. George E. Carpenter, Jr.
Secretary-Treasurer
Massachusetts AFL-CIO
8 Beacon Street 3rd Floor
Boston, MA 02108

Reb to
Communications
J. E. C.

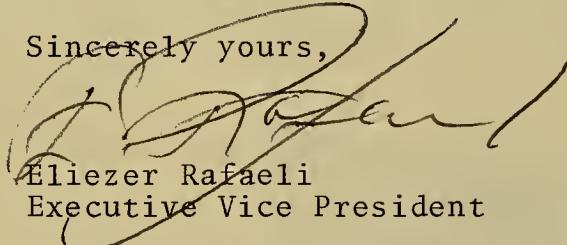
Dear Mr. Carpenter:

Thank you for your contribution of \$25.00.

Your contribution will support the following project:
NCLI-Histadrut Scholarship Fund for Labor Education.

Your continuous partnership is greatly appreciated.

Sincerely yours,


Eliezer Rafaeli
Executive Vice President

P. S. Your contribution is tax deductible, and this letter
serves as our official receipt.

OPINION

The Druze Members of Histadrut



by Joseph Kara

The Druze in Israel reside in regions of the Galilee, the Carmel and the Golan Heights. Their population is about 72,000 of which 20,000 are members of Histadrut. Three Labour Councils serve most of the Druze workers: the Central Galilee, the Daliat El-Carmel, and the Ussafia Labour Councils; as well as the Labour Councils at Tiberias and Shfaram. The proportion of wage earners among the Druze is relatively high, with many workers finding employment in or near their home communities, especially in the textile industry, which is mainly based on women workers. In the "Druze triangle" the towns of Yikra, Julis and Abu-Djan, there are metal-working enterprises which are possibly the most advanced in the Middle East in their field. It is also noteworthy that the majority of Druze personnel serving in the various arms of the Security Forces are members of Histadrut.

As stated, since the proportion of employed wage earners in the Druze sector is large there exists the need for (trade union) attention and care among this public. This is also the reason that many Druze were pleased that a Druze tradeunionist was elected to the new Executive Bureau of Histadrut. This was seen as the fulfillment of a promise by the Secretary-General of Histadrut that a representative of this community would sit on this (top) executive body of the labour movement.

(continued p. 7)

The Struggle for Public Health

Public Medicine in Distress

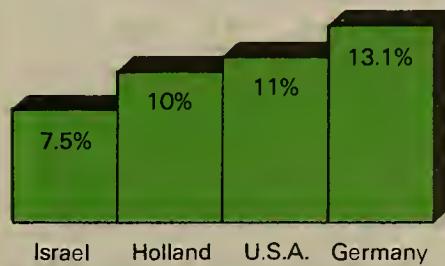
- Halting destruction of the public health system
- Government's participation in budget of Kupat Holim, Histadrut's Sick Fund
- Reasons for budgetary distress
- Confrontation between Histadrut and the Minister of Finance

The following facts and figures portray the problems currently confronting public medicine in general and Kupat Holim in particular. They were compiled by a special staff designated by Histadrut in an effort to arrest the destruction of the public health system in Israel.

Expenditure on Public Health as a Portion of G.N.P.

The scope and quality of medical services, particularly in public health services, is an important indicator as to the state of a modern, progressive society. Therefore the percentage of expenditure on the public's health as a part of the G.N.P. in various countries constitutes an accepted indicator as to the level of social services in those countries. Following are percentage figures for expenditures on public health in Western countries.

Expenditure on health as portion of G.N.P.



Private Medicine versus Public Medicine

The demand by the Minister of Finance to require the insured to pay a fee for each visit to a physician and for every day of hospitalisation is seen as an opening strategem to eliminate public health services and to replace them by private medicine. At the existing level of earnings of the working population in Israel this (the payment of fees for services) will constitute an actual serious impediment for most workers in their entitlement to medical care. The creation of a system of differential qualitative levels of medical care according to economic status is in blatant contradiction to the principle of equality which is one of the prime characteristics of an enlightened society.

(continued p. 2)

The Struggle for Public Health (continued from p. 1)

Public Health and Kupat Holim

When one speaks of public health in Israel one is in fact talking about Kupat Holim of Histadrut — the General Federation of Labour in Israel. The vast majority of the population in Israel, 83% in fact, receives medical care through Histadrut's sick fund — Kupat Holim.

Kupat Holim members as percentage of total medically insured population

1974 — 67.7%
1977 — 71.7%
1980 — 75.6%
1985 — 83.0%

Government's Participation in Budget of Kupat Holim

Since the founding of the State (1948) the Government has always participated in budgetary support of Kupat Holim. This support is not an act of grace. It represents an expression of the Government's obligation to provide the population with basic services such as education, security and health. The health funds, and particularly Kupat Holim of Histadrut, which has taken upon itself to a large extent the responsibility for the provision of medical services, cannot certainly carry the burden alone without Government participation.

What has happened to this participation during the last decade?

The Aging of the Population of Israel

Parallel to the increase in the numbers of insured with Kupat Holim among the popula-

tion of Israel in general, there has been a rapid growth in the numbers of the elderly citizens — no doubt attributable to the longer lifespan resulting from the high level of medical care in Israel. Since Independence in 1948 the proportion of elderly (65 and older) in the population has increased almost threefold. It is also clear that this aged population group is also by far the largest consumer in need of medical services — visits at the clinics, drugs and hospitalisation, in excess of that of the younger age groups. This places a growing burden on Histadrut's Kupat Holim which in fact tends to the medical needs of about 95% of the aged population.

The Aging of Kupat Holim's Insured % of all the insured

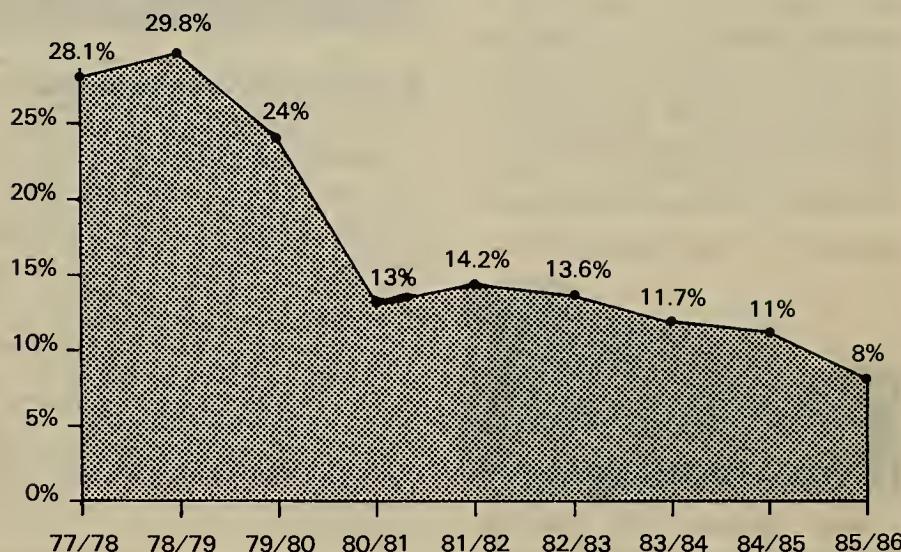
1948 — 4.0%
1975 — 8.4%
1981 — 10.5%
1985 — 11.0%

Why Is There a Budgetary Crisis in Kupat Holim?

While Kupat Holim's expenditures continue to grow as a consequence of the increase in the numbers of the insured and the aging of the population Government participation in covering the outlays, as we have said, is constantly declining. Were it not for measures taken by Kupat Holim to improve efficiency and impose economies, the crisis would have arisen much earlier.

In the last five years the expenditure of Kupat Holim per person insured was reduced by one third, from \$300 to \$200, without negatively affecting the quality of medical services rendered.

Government Participation in Kupat Holim's Budget



Also in the allocation of the "parallel fees" (paid by employers into the health funds) Kupat Holim of Histadrut came off badly in the distribution of funds, since rather strange, politically inspired provisions in the Parallel Fees Law (enacted in 1980) made the division among the various health funds less favorable to Kupat Holim in allocation than to the smaller health funds which cater mainly to the affluent.

Reduction in real income of wage and salary earners during the past year caused in its wake the reduction of income to Kupat Holim.

What Did Histadrut do About This?

Health care is only one of a spread of services supplied by Histadrut to its membership. The "Unified Fee" paid by members of Histadrut also covers the costs of the trade union activities, education and cultural programmes throughout the country, mutual aid activities; the work of Na'amat (the Histadrut's women's organisation), support of youth movements, as well as medical care.

As a result of the distress of Kupat Holim its share of the budget of Histadrut has been increased by allocation.

What Are the Demands of the Finance Minister?

The Minister of Finance wants Histadrut to increase its independent support of Kupat Holim by 60 million dollars a year by increasing its fees' levy on members and by charging the insured for visits to the clinics, for medicines and for days in hospital.

This demand is objectionable not only from the financial viewpoint. The principle upon which Histadrut is based, and consequently also Kupat Holim, is that an individual pays (fees) according to the level of his earnings and obtains medical services according to his needs. To the Finance Minister and the senior officers at the Ministry (who themselves and their families enjoy free medical services) this idea does not appeal.

The practical implications of the Minister's demand is not limited to the theoretical plane. The meaning of this approach is that precisely those elements in society which are already disadvantaged i.e. the elderly, families with many children and low wage earners, who for reasons of age, or social condition are those in greatest need of medical attention are also those who will have to bear the bulk of the financial burden of medical care in Israel.

Histadrut and the working public will not acquiesce to such a policy. In a determined and uncompromising struggle with the Government Histadrut will demand that it carry out its obligations to the citizenry to guarantee medical services to all, and not only to the well-to-do.

Histadrut's "Government" Chosen

At the last meeting of the Histadrut Executive Committee in 1985 the new Executive Bureau of the organisation was elected. The Executive Bureau can be labelled as the "Government" or "cabinet" of Histadrut, being its highest executive organ (on the same basis the larger Executive Committee which elects the Bureau might be termed the "parliament" of Histadrut). The newly constituted Executive Bureau has 38 members (instead of 42 formerly) of which 31 are representatives of the Israel Labour Party (including one representative of the Religious Workers' faction), 6 members of Mapam Party, and one member representing the Independent Liberals, who together constitute the majority coalition of Histadrut for the next four years.

Part of the Labour Party designees were individually elected by the Central Committee of that Party. This is considered to be an important innovation insofar as in the past representatives to the Executive Bureau had been selected by a nominations' committee rather than voted upon by the plenum of the Labour Party Central Committee. Sectoral representation from the Labour Party was from trade unions and Labour Councils as well as from a general list. The Secretary General of Histadrut, Israel Kessar presides at the Executive Bureau as chief executive officer.

There are 7 women members of the Bureau. Three Arab and Druze members were elected (2 Labour Party, 1 Mapam). Histadrut's "Cabinet" has many new faces drawn from younger elements among the labour movements' activists.

HISTADRUT EXECUTIVE BUREAU

1. Israel Kessar — *Secretary General and Chairman of Hevrat Ovdim (labour economy)*
2. Shlomo Avitan — *Chairman of the National Committee of Navy Ratings*
3. Yacov Avimor — *Secretary of the Afula Labour Council*
4. Uri Agami — *Chairman of the "Amal" (vocational schools) network*
5. Avraham Ahi'ezra — *Chairman of the Social Security Center*
6. Sara Alspector — *Trade Union Department*
7. Amira Andrianov — *Secretary of the Textile Workers' Union*
- B. Moshe Beit Dagan — *Secretary of the Clerical, Administrative and Public Employees' Union*
9. Gideon Ben-Israel — *Chairman of the Organisation and Labour Councils Dept.*
10. Reuven Ben-Ami — *Secretary of the Government Employees' Union*
11. Shaul Ben Simhon — *Trade Union Department, Chairman of Safety and Hygiene Division*
12. Yitzhak Barkai — *Chairman of the Immigrant Absorption Department*
13. Meir Gatt — *Trade Union Department*
14. Haim Haberfeld — *Chairman of the Trade Union Department*
15. Nissan Harpaz — *Secretary of the Jerusalem Labour Council*
16. Gershon Vilan — *Hevrat Ovdim (labour economy)*
17. Meni Weizman — *Secretary of the Nes Ziona Labour Council*
18. Moshe Valdman — *Secretary of the Biochemists and Microbiologists' Union*
19. Efraim Ziloni — *Deputy Chairman of the Trade Union Department*
20. David Z'hut — *Secretary of the Bnei Brak Labour Council*
21. Shalom Havshush — *Chairman of the National Committee of Army Industry Employees*
22. Hami Zachariah — *Chairman of the Religious Affairs Department*
23. Mahmud Yunes — *Hevrat Ovdim*
24. Yacov Yishai — *Chairman of the Youth and Sports Department*
25. Arthur Israelovitch — *Treasurer*
26. Masha Lubelski — *Secretary of Na'amat (working women)*
27. Haim Lichtenberg — *Chairman of the National Committee of "Yachin Chakal" (citrus fruit) employees.*
28. Drora Meir — *Na'amat (working women)*
29. Nawaf Massalha — *Organisation and Labour Councils Department (Arab sector)*
30. Dov Peleg — *Chairman of the Department for Social Security*
31. Nachum Fassa — *Chairman of the Centre of Culture and Education*
32. Nuzhat Katzav — *Chairperson of the Consumers' Authority*
33. Yosef Kara — *Trade Union Department (Arab & Druze Sector)*
34. Raya Retig — *Chairperson of the Department for Industrial Democracy*
35. Daniel Rosolio — *Chairman of Hevrat Ovdim (labour economy)*
36. Gideon Sagee — *Chairman of the Administration and Manpower Department*
37. Pini Shomer — *Deputy Chairman, Centre of Education and Culture*
38. Yacov Shefi — *Chairman of the National Committee of Aircraft Industry Employees*
39. Aliza Tamir — *Trade Union Department — Division for Employment and Vocational Training.*

Metalworking, Electrical and Electronic Industries

Thirty thousand workers in small plants of the metal, electric and electronic branches will soon enjoy benefits arising from a collective agreement which will stipulate work-conditions and wages for the first time for all these places of work.

Agreement in principle to signing such a work-agreement was reached between officers of the Metal, Electrical and Electronic Workers' Union and representatives of the Association of Owners of Workshops and Small Manufacturers.

Recent manifestations of cutbacks, lay-off and dismissals of workers at numerous places of work impelled the Metalworkers Union to seek to implement a collective agreement which would guarantee the rights of workers in workshops and small plants which number in the thousands.

Histadrut Pension Funds' Retirees Get 42% Increment

All Pensioners in Israel who are members of Histadrut's (7) pension funds received a 42.8% increment in their pension benefits commencing with the month of December 1985 as a result of a linkage system which links pension benefits to the Cost of Living Index rather than to the wages level.

Government and public sector employees — civil servants and municipal and local authority employees pensioners — whose pension benefits derive from Budgetary (non contributory) Pension programmes, in comparison, received an increment of only 3.7%. Their pension benefits are linked to prevailing wage rates and were consequently eroded at the same rate as general wage and salary income as a result of the Government's new economic programme.

Several years ago the Histadrut's pension funds went over to the system of linking the level of benefits to pensioners to the C.O.L (consumers' price) index in order to safeguard the real value of pension income and its purchasing power.

Words of the Founders

"Our labour movement has one faithful coin. On one side — the liberation of our people, on the other — the worker and society. Whoever will be in a possession of a coin of which one face has been erased will be left with a worn-out token."

(David Remez, Histadrut's second Secretary)

"Dissolve the Government"

At a meeting of the Histadrut Executive Committee at which the new Executive Bureau was elected, Secretary-General Kessar stated, "Were it dependent on me I would dissolve this Government on the basis of our economic and social problems".

The reason for the General Secretary's wrath? The very heavy burdens borne by the wage and salary earners, while other sectors are exempt. A few examples:

- Cuts in the Government's budget do not indicate a reduction in governmental activity which was supposed to result in freeing resources for development and growth. On the other hand deep cuts in expenditure by the National Insurance Institute (social security), for health services, education, basic commodity subsidies, etc. were substantiated, by increasing the burden on the public, and especially on the weaker segment of the population. There is also fear that by increasing the gross tax burden consumer demand will fall, thus negatively affecting the level of employment.

A slowdown of the economy will decrease Government revenue while not diminishing the demand for Government services. Likewise there is little room for expectation that there will be economic "blossoming" of investment and development.

- Participation of Government in Kupat Holim (Histadrut health services) continues to erode (from 28.1% in 1977 to 8.0% in 1985).

- The allocation to large families (many children) has been eroded due to inflation.

- The special education levy on families with children in school (\$60 per pupil) penalises low-income families far more than the



more affluent. The "education levy" is a retrogressive tax insofar as it institutes a uniform fee regardless of the family's economic status which is particularly burdensome to a segment of the community, not necessarily the most affluent. Since about 40% of school pupils will be exempt from the levy the middle income earners will be left to bear the main burden of the special education tax.

- A tax on maternity grants.
- Reduction of seniority points on National Insurance (social security) old-age grants, a measure which will negatively affect the income of pensioners.
- Reduction in the subsidies for essential commodities (such as bread, dairy products, public transportation).

Histadrut has decided to be on guard against Government actions which do not distribute the economic and social burdens equitably, and to protect the interests of the weaker elements in society.

Fortifying Kupat Holim

From January 1st 1986 an additional increase was levied on the fees paid by Histadrut members in order to strengthen the medical services rendered by Kupat Holim. Following is a table of membership fees at current and previous rates, according to income categories (in New Sheqels):

Formerly:

Monthly Wages	Fees as % of Income
Up to 400	3.9%
400 to 1000	2.9% in addition
1000 to 1550	2.0% in addition
1550 to 2250	1.8% in addition

From Jan. 1, '86:

Monthly Wages	Fees as % of Income
Up to 480	3.9%
480 to 1100	3.0% in addition
1100 to 1700	2.2% in addition
1770 to 2500	1.6% in addition

Note: 1.5 New Sheqels = \$1.00.

Encouraging Co-operative Organisation

The Secretary of "Hevrat Ovdim", Histadrut's economic holding company, addressing the Tenth Conference of Cooperatives in Industry, Transportation and Services, stated that Hevrat Ovdim would intensify its efforts in the co-operative sector to establish new cooperatives. The Co-operative Centre (of Histadrut) would have to mobilise long-term capital towards this end, he said.

Minimum Wages

At the end of 1985 Histadrut signed an agreement with the Bureau of Economic Organisations (manufacturers' association) on the issue of minimum wages. According to the collective agreement to go into effect on 1 March 1986, the minimum income will be set at 315 Sheqels per month. (\$1.=1.5 Sheqels)

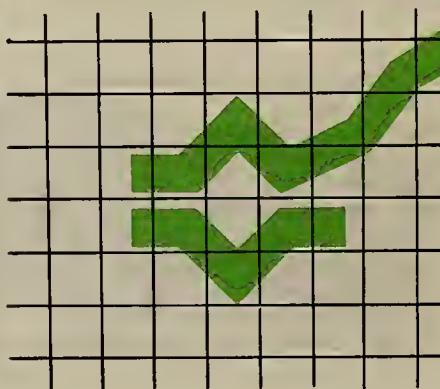
In enterprises and institutions of Histadrut the minimum wage will be set at 350 (new) Shekels. At the same time Histadrut has proclaimed that it will continue to fight for the passage of legislation to fix the minimum wage in the country at about 50 percent of the level of the average wages in the economy which are currently 840 Sheqels per month, thereby the minimum wage would be 420 Sheqels at current rates.

Possible New Wages Formula for Textile Workers

A new wages system which would bring earnings in Israel's leading textile mill up to prevailing Western European standards and serve as an incentive for young workers to join the branch by offering stable and good income, was mooted in discussions between Secretary General Israel Kessar and the Manager of Polgat Industries, in Beer Sheba, Mr. Dov Pollack.

Mr. Pollack proposed that the wage level for textile workers at his plant be raised to between 500 to 600 dollars per month (on the level of earnings in the industry in West Germany). Two conditions were attached to Mr. Pollack's offer: That the workers agree to work on three shifts thereby maximising the utilisation of modern equipment installed; and that the worker-output be equivalent to that prevailing in Germany.

Israel Kessar accepted Mr. Pollack's plan in principle and stated that the proposals would be brought before the Textile Workers' Union and the Trade Union Department of Histadrut for consideration.



Greater Involvement on Behalf of the Productive Worker

What does a production worker think about the situation in the country? What are his demands of Government and Histadrut? In order to pose these questions the staff of "Labour in Israel" visited the "Merkavim" factory which is part of the Histadrut-owned industrial concern "Koor". At the "Merkavim" plant where 350 employees are engaged in assembling and repairing busses, making gas containers and rubbish disposal carts, we met Meir Zabri, chairman of the plant Works' Committee. Moshe Haba, carpenter and Haim Shoval, hydraulic mechanic.



Haim Shoval



Moshe Haba

Mr. Zabri is 25 years with the company, Mr. Haba 13 years and Mr. Shoval 12 years. The Workers' Committee Chairman and the hydraulic mechanic were both born in Yemen, while the carpenter is a native of Iraq. The three workers all underwent vocational training. Meir Zabri also completed a university course in joint-management. With the knowledge he acquired he will be equipped to handle a worker-membership in the joint management board which is in operation at "Merkavim", (if and when elected). "Labor in Israel" posed a number of questions, to Moshe Haba and to Haim Shoval, individually and separately. The questions and answers:

Q. What is your opinion about the economic programme being implemented by the National Unity Government?

Moshe: It is injurious mainly to the low income earners, to the production workers whose wages have been eroded drastically.

Haim: There has been an extreme erosion on the worker's wage. The pay is insufficient for a worker who must support four persons. There are many expenses, including mortgage payments (on the dwelling).

Nevertheless, with regard to the national economy. Perhaps the (Government's) economic programme is desirable because the state of the economy was indeed very bad.

Q. As a person who is employed in a Hevrat Ovdim (Histadrut owned) enterprise,

Moshe: Let the Government decide once and for all that productive (manufacturing) enterprises must be considered to be the very core of our State, and that without this there is no future. The State must give priority to products made here; busses for instance, instead of importing them.

Haim: Busses are our main product. The Government should do more to support producing busses in our plant, instead of importing them from abroad.

Q. Do you feel that the burden of the economic programme of the Government is being fairly distributed among the various sections of society?

Moshe: Certainly not! From my wages taxes are deducted directly and completely. The various self-employed — even should they pay their true taxes — they will still have a lot left over.

Haim: It's not so simple. The differential between a wage-earner and others is quite a lot, perhaps 1 to 5. Over here one enters work at a low wage level. Many therefore prefer to subsist on unemployment insurance payments rather than work on a job.

Q. As a production worker what are your demands of the Government and Histadrut?

Moshe: From Histadrut, to place more emphasis on the needs of production workers, to see to it that their earnings are on par with that of workers in the services. There was a time when production workers enjoyed higher premiums than now, and the wages have been eroded. It is for this reason that vocational school students do not enter the productive branches. The conditions are not that attractive.

From the Government I would demand reducing the tax burden on the incomes of production workers.

Haim: From Histadrut — not to remain confined to the headquarters' building, but to show more involvement for the benefit of the production worker; to show the worker that he has strong backing. From Government: impetus for the productive worker.

Q. Do you feel Histadrut is fighting your battles strongly enough?

Moshe: I have already stated that I feel that the tendency today is to favour the workers in the services over production workers. Histadrut must put up a stronger fight for the productive workers, not only about better social conditions but on the matter of wages too.

Haim: I must admit that lately I have a feeling that there is increased awareness in Histadrut, which has got onto the right path under the leadership of its present Secretary-General Israel Kessar.

Q. Are there any apprehensions about possible dismissal?

Moshe: There are problems in the plant. Sure I'm concerned about that possibility. As long as the conditions of the economy continue to deteriorate everyone in the plant will fear dismissal.

Haim: Personally, I am not afraid; but the question is where will all this bring the economy to?

Q. What can be done to remedy the situation in your factory?

Federation of Textile, Leather and Clothing Workers

This organisation is one of the oldest among our unions and second in size, in manufacturing industry, only to the Metalworkers, Electrical and Electronic Workers' Federation. Whereas that union is almost evenly divided between male and women members, the Textile, Leather and Clothing Workers' Federation has a majority of women members.

In many small towns the textile industry, mainly employing women, is the principal employer upon which a large part of the population's upkeep is dependant.

Vocational Training

In the area of vocational education and vocational re-training, which are most essential for the maintenance and progress of this industrial branch it is constantly necessary to adapt to technological changes and innovations. Here the works' committees and the branch secretaries are active and influential

at the level of large enterprises which operate their own training facilities independently. The "Shenkar College" (a college of textile technology) plays an important role on the national level in vocational training in the textile branch and conducts evening courses (in addition to its regular studies programme). The General Secretary of the Federation is a member of Board of Directors of the College.



**Amira Andrianov,
General Secretary of the Federation**

Amira Andrianov was a worker in a textile plant in the development town in the south of Israel called Kiryat Gat, where she is still residing. Being active in the union she steadily rose, through her intensive activity, to become head of the union and a member of Histadrut's Executive Bureau.

Ms. Andrianov on the industry:

"Notwithstanding the economic crisis, we continue to fight against the closing of textile plants. I have no doubt that the future of the textile industry is secure, for this is a basic productive branch and an important source of income in the developing communities."

"The textile industry employs a large number of workers and is aimed mainly at the export market. especially during time of economic crisis the Government is obliged to take quick action and show understanding to get the textile industry onto sound foundations and to create the means for its future development."

She believes:

— We must repair the depressed, and unrealistic image of the textile industry, which has in fact recorded important technological advances, including the use of highly sophisticated equipment. The present image interferes with the attraction of new employees who will want to tie their future to the textile industry. Image-improvement is not only opening new technological challenges before young workers, but also lies in the creation of improved work conditions and good earning levels.

— The Government must protect the industry and also open investment channels under favorable conditions. It is essential that there should be effective inspection and control of textile imports from the Far East and from other countries where there is no obligation to adhere to international agreements and standards with regard to wages or labour organisation. In view of the fierce international competition on the world markets, and our great need to export, it is imperative that we thoroughly investigate foreign markets and on that basis decide to produce original and high-quality products that are able to compete. We must see to it that our equipment is modernised. We must mobilise additional means for the planning and implementation of manpower training. "But above all, it is people who will run the highly sophisticated equipment, and they will put in motion the wheels of our textile industry."

International Affairs

The Federation maintains relations of friendship and solidarity with kindred organisations abroad. It is an active member of the International Textile Workers' Federation, ITGLF. In 1984 that organisation held its 4th Congress in Israel. Ms Amira Andrianov is a member of the Executive of ITGLF.

- * In 1980 Ms Amira Andrianov was elected to the chief executive post of the Federation, as General Secretary. Recently she was elected to Histadrut's Executive Bureau.

The Union's Institutions

Every four years the Federation's Congress is convened after elections at which 501 delegates are chosen. The Centre consists of 120 members; the Executive Secretariat 35 members.*

At every local Labour Council (the local branch of Histadrut) at least one representative of the Federation is present, serving as Secretary of the local branch of the Federation.

At least 50% of the members of the union's Centre must be direct representatives of works' committees. In the Executive Secretariat 50% of the members are representatives of works committees and 50% are local branch Secretaries.

Direct Connections in the Field

In constituting the institutions of the Federation the emphasis is on strong and direct connections with the "field", tending towards diffusion rather than concentration. Members of the Centre, the Executive Secretariat and especially the General Secretary are frequently out on field visits around the country.

Attention to Youth and Pensioners

The union is attentive to the interests of working youth during the collective bargaining negotiations. According to the national agreement in force, young workers work one hour less than adult employees and earn 90 percent of their wage. (This provision also exists in other manufacturing industry agreements.) The Federation cooperates with the Histadrut's youth movements as part of its general concern for working youth and as an endeavor to properly receive and introduce them to our organisation as future employees into this occupational branch.

Special attention is also shown to pensioners. They are included in the social activities of the companies where they had been employed, such as outings, parties, holiday gifts; and they always have a representative on the Executive Secretariat of the union.

OPINION (continued from p. 1)

The problems of the Druze are not strange to me, and my election to the Executive Bureau will guarantee that these problems will reach the discussion table of the Bureau.

The most urgent problem at this time as I see it, is that of intensifying activity within the "Druze Working and Student Youth Organisation", because care for the youth in the Druse community is a very complex matter from both the national and the Histadrut aspect. Insofar as the Druze young men serve in the Israel Defense Forces they require understanding, ideewise and socially.

It is for this reason that our primary demands are for larger quotas of youth leaders and secretaries who will help safeguard the level of income of the girls working in the textile works in their villages and to evolve standards and programmes for these young people.

Another problem is the care of young men after their service in the armed forces and also of young married couples. By the opening of clubhouses in their communities which will bring them closer to Histadrut. By conducting study-days and seminars many of these young workers could be activated in the institutions of the Labour Movement.

Another important goal lies in the development and industrialisation of the Druze village in order to see to it that there are employment openings for Druze returning from military service and young people in general.

During the last two years a number of surveys and investigations were carried out on this question and the findings could certainly be valuable in proceeding towards that goal. The matter of sports and popular competitions also deserve attention since many football teams now exist in the Druze communities.

Our main aim should be to bring the principles of Histadrut, and to project its ways, to the Druze population, for members of the Druze sect are after all working people with strong ties to the earth, for whom work itself has the highest esteem.

Since we are living in a progressive society, I shall work to enhance the stature of the intellectual and the social workers and give special attention to improving the status of the woman in the community, woman's importance in the family lies not only in her being responsible for the home but also for contributing at the same time to the family's economy through her work.

We must have clubhouses and sport-centers in the Druze villages in order to bring together there young people and members of Histadrut of every sort.

I am full of hope that although we are passing through a time of economic difficulty now, we shall, with the assistance of the Secretary-General of Histadrut, Israel Kessar, promote the interests of the Druze community within the Labour Movement, thus also towards greater integration into the life of the nation.



Meeting of Histadrut's Executive Bureau

BRIEFLY

Twelve veteran members of Histadrut in Jerusalem were awarded the "Appreciation Award of Histadrut" for distinguished personal activity in realising the aims and ideals of the movement.



Histadrut's Jewish-Arab Institute will conduct a two-day seminar on the subject of "Children's Literature" with the emphasis on its role in Jewish-Arab relations.



In view of the current difficult economic situation the Kibbutz communities have decided to reduce their standard of living by 20 percent. They have also decided on an internal loan arrangement whereby Kibbutzim which are economically well-off will assist in rehabilitation of Kibbutzim in economic straits.



Close to 40,000 new workers are added to the labour force yearly in Israel.



The number of unemployed in Israel now stands at 115,000 workers, 7.5% of the work force.



Managers in Histadrut's "Shikun Ovdim" (workers' housing company) have decided to forego 11 percent of their salaries.

Kibbutz Industries

Kibbutz industries represent 7.4 percent of all industry in Israel (excluding diamonds).



The value of exports of the Kibbutz industries increased by 30.5% in 1984-5 (Hebrew calendar year) totaling \$244 million.



The number of Kibbutz plants which exported in excess of \$1 million reached 61 compared to 41 in the previous year.



There are presently 365 enterprises (in manufacturing or tourism) operated by individual Kibbutzim, or jointly by two settlements, and located on the premises of the Kibbutz, ten more than in the previous year.



Presently more than 40% of all industrial robots in Israel are located in Kibbutz industries.



During the month of December 1985 Histadrut celebrated its 65th anniversary. Numerous special activities and programmes to mark the labour movement's birthday were carried out throughout the country, including the following:

- Traditional torch-relays.
- "Movement Fathers" Day.
- Symposium on Berl Kzenelson.
- Representational Exhibition on Histadrut.
- Special TV and radio broadcasts on Histadrut and its activities.
- Information events featuring members of the Executive Bureau.
- Publication of a booklet entitled "EXPLAINING" for moderators, information officers and activists in various sectors of the organisation.
- Festive assemblies at Labour Councils around the country.
- Meetings with secondary school pupils on the subject of democracy.
- Training seminars for works' committees activists.
- Artistic performances.
- Award of "Histadrut Prizes" for distinction in literature and art.
- "Open House Day" at Histadrut Headquarters at which delegations from all over the country were received by Secretary-General Kessar and members of the Executive Bureau. These included delegations of writers and artists, workers' committees, consumers' cooperative members, representatives of the Arab and Druze sectors, local Labour Council delegations, students from Histadrut educational institutions, the women's movement and pensioners.

Increased Consumer Consciousness

During the last four years the Consumers' Authority at Histadrut Headquarters has attended to 36,100 complaints by consumers. In 85% of these cases the complaints under consideration were resolved to the satisfaction of the consumers.

During the same period there was a considerable increase in the volume of complaints resulting from the implementation of the "package deals" (controlling prices) and by a general increase in consumers' consciousness.

Diplomatic relations between Spain and Israel

In January formal diplomatic relations were established between Spain and Israel, which brought to an end the anomaly in the relations between the two nations.

For the occasion the U.G.T. and Histadrut published a manifesto. It is of note that the U.G.T. was the first important body in Spain that openly opted for diplomatic relations.

Diamond Workers' Minimum Wage Fixed

The minimum wage in the diamond industry sector was established at 500 Sheqels a month according to the collective agreement signed between the Diamond Industry Association and the National Union of Diamond Workers affiliated to Histadrut.

NOTES

Histadrut's economic sector (Hevrat Ovdim) has decided to consolidate publication activity under a common roof company. The new company will incorporate "Davar" Histadrut's daily newspaper, its book publishing house "Am Oved" and its book distributing company "Sifri".



Secretary-General Israel Kessar was named "Man of the Year" by the Israeli afternoon newspaper "Maariv" s economic magazine supplement "Asakim" (business) following a survey conducted by the publication.

Encouraging Writers and Artists

In keeping with a resolution adopted two years ago to establish Histadrut Prize grants of \$1,000 dollars each for artistic creations, it was announced that grants will be made in each of the following: literature, theatre, music, painting and sculpture.

AMONG OUR VISITORS

I.C.F.T.U.: Steve Pursey, Director of Economic Department

I.F.A.: Rolf Rembe, Secretary General International Federation of Actors

West Germany: Youth delegation of IG-Metall; HBV youth (Commercial, Banks and Insurance Workers); delegation of Building Workers Union; delegation of IG-Chemicals Paper and Ceramics led by H. Rappe, President of the Union and Deputy; JUSOS delegation (SPD Young Guard); Board Members of NGG (food and restaurant workers), delegation of Printing Workers Union led by E. Ferlman, President.

Belgium: G. Spitaels, President of Wallon Socialist Party

United States: Youth delegation of Institute for Peace in the Middle East

Great Britain: Delegation of Trade Union Friends of Israel **Japan:** Tadanobu Usami, DOMEI President; Masag Aihara, International Department

Netherlands: Youth delegation of WJ-Cnv led by J. Blecker, President

Histadrut Representatives Named



Yoram Barzilay



Daniel Offir

The Executive Bureau of Histadrut confirmed the appointment of Daniel Offir as Histadrut's Representative for Europe stationed in Brussels.

Daniel Offir is currently in charge of international relations in Histadrut's "Working and Student Youth Movement". His new assignment will have him representing Histadrut on various international bodies located in Europe, in place of Michael Siew who is returning to Israel after concluding 5 years of service as Histadrut's Representative for Europe.

The Director of Histadrut's "Economic and Social Research Institute", Yoram Barzilai, has been named to the post of Histadrut representative in London.



Independent Federation of Flight Attendants

630 Third Avenue, New York, New York 10017

(212) 697-0654

McC
5/5/86

April 28, 1986

Mr. Arthur Osborn, President
Massachusetts - AFL-CIO
8 Beacon Street
Boston, MA 02108

Dear Mr. Osborn:

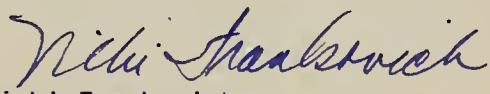
Thank for your letter supporting the strike between the flight attendants represented by the Independent Federation of Flight Attendants and Trans World Airlines.

As you already realize, our struggle is not just a struggle for flight attendants or a struggle for the airline industry, but a struggle for labor in general. We are all at the mercy of greedy employers who are demanding unreasonable concessions from its employees, not because those concessions are needed, but because getting concessions happens to be fashionable under the current administration.

One of the ways that you can help us is by writing to Carl Icahn that your organization will not be booking flights on TWA for the duration of the strike. His address is: Mr. Carl Icahn, Chairman of the Board, Trans World Airlines, 605 Third Avenue, New York, NY 10158.

Once again, on behalf of my entire membership, I thank you for your support. We look forward to serving you once again when the strike is settled and we are all back to work.

Yours in solidarity,


Vicki Frankovich
President

cc: K. Lantz
B. Hoffman
Executive Board

KL3SJ16

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8.

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100% H_2

100% CH_4

100% CO_2

100% CO

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100% H_2 + 10% CH_4

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100% H_2 + 30% CH_4 + 10% CO_2 + 10% CO
100% H_2 + 30% CH_4 + 10% CO_2 + 10% CO

100% H_2 + 40% CH_4

100% H_2 + 50% CH_4

100% H_2 + 60% CH_4

5/27

The Massachusetts Government Land Bank
Six Beacon Street, Suite 900 Boston Massachusetts 02108 (617) 727-8257



May 14, 1986

Arthur Osborn, President
AFL-CIO
6 Beacon Street
Boston, Massachusetts

Dear Arthur:

A few months ago you referred Mr. George McGrimley's request to lease surplus state agriculture land for the grazing of beef cattle to my office, which I then forwarded to the Department of Food and Agriculture.

Enclosed please find the Department's response to Mr. McGrimley inquiry.

Do not hesitate to contact me if I can ever be of assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim" or "Timothy".

TIMOTHY A. BASSETT
Executive Director

TAB:cml

Enclosure

Richard W. Reynolds
Chairman
Carolyn P. Partan
Vice Chairman
Lawrence C. Sullivan
Secretary
Alfred W. Archibald
H. James Brown
Reese W. Fayde
F. Tenney Lantz
Rev. Frank J. Parker
Frank T. Keefe
ex officio
Amy S. Anthony
ex officio

Timothy A. Bassett
Executive Director



COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF FOOD AND AGRICULTURE
STATE-OWNED FARMLAND PROJECT
SAFFORD HOUSE - OLD COMMON ROAD
LANCASTER, MASSACHUSETTS 01523

Ammie Chickering
Land Use Administrator

727-0464

MAY 6 1986

May 5, 1986

Mr. George McGrimley
24 Ardsmoor Road
Melrose, MA 02176

Dear Mr. McGrimley:

Timothy Bassett of the Land Bank referred your request for grazing land to the Department of Food and Agriculture.

The only piece of state-owned farmland in Essex County that is controlled by this agency is at Danvers State Hospital. The land is under lease until the end of 1986 growing season, at which time it will be publically advertised for lease for the next five years. However, the soils are good-to-excellent for agricultural use and are currently under active cultivation. This agency would not accept a proposal for its use for pasture because it would be a less than optional use of the resources.

Sometimes the Division of Forests and Parks and the Division of Fisheries and Wildlife allow agricultural use of land in State Forests and Wildlife Management Areas. The numbers to call are: Forests and Parks, Region II Headquarters in Carlisle at 369-3350 and Fisheries and Wildlife Northeast District in Acton at 263-4347.

The Essex Count Conservation District may know of privately-owned land available for lease. They are located in Hathorne at 774-5578.

I hope this information will be useful to you.

Sincerely,

Ammie Chickering
Ammie Chickering

H/AC

cc: Timothy Bassett
August Schumacher

